The Financial Post

The Canadian Newspaper for Businessmen and Investors

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Druggists' President

Harold Victor Mercer, 53, as new president of Canada's 39-year-old national organization of retail druggists—the Canadian Pharmaceutical Association—becomes honorary boss of 3,500 drugstores, from Yellowknife's 4 to Toronto metropolitan area's 550. His own, in Lindsay, Ont. (pop. 8,403) is Victoria county's biggest. Tall, solid, affable and an enthusiastic amateur gardener, Mr. Mercer has been a keyman in CPhA since he joined its council in 1938. Graduate in 1917 of Ontario College of Pharmacy, he has been a member of the college council continuously since 1934, its president 1943-45.

Robert Simpson Co. Buys Regina Firm

Sale of the five-story R. H. Williams department store in Regina to the Robert Simpson Co., for a reported $1,500,000 marks the first major westward retail expansion of Simpson's and the second important department store acquisition by the company in the past three years.

In 1944 Simpson's acquired the Smallman & Ingram store in London, largest department store in western Ontario. With purchase of the Williams store, the company has added one of the biggest department stores in western Canada to its steadily growing, well co-ordinated enterprise

Simpson's now has department stores in Montreal, Regina, Toronto, Halifax and London with two manufacturing units in Toronto and a national mail order concern. In addition it has more than 60 order offices in Ontario. In the Maritimes, Saskatchewan and Ontario, the company has agents and merchants operating as agents, selling its lines of heavy goods on a commission basis.

Purchase of the Williams store will permit further expansion of Simpson's mail order business in the West, now sharing an eight-story structure in Regina with a Simpson retail outlet. The mail order unit serves the four western provinces, the Yukon and the Northwest Territories.

Founded in 1888

Sale of the 58-year-old store brings to an end its connection with the pioneer Williams family. Founded by the late R. H. Williams who arrived in Regina by cart the day the city was named, the store has been synonymous with Regina's development in its growth from a small frame building to one of the largest in western Canada.

Announcement of the transfer was made Monday before a mass meeting of employees on the main floor of the store, which was closed for the occasion. They were told the store will continue to be operated as at present, and under the Williams name until conditions permit enlarging and modernizing.

Meanwhile the Simpson store, located in the mail order building about half a mile away from the Williams store, will continue to serve the publilc. When construction and other conditions allow, the two retail outlets will be combined under one roof and under the Simpson name.

When this amalgamation occurs, the floors devoted to retailing in the present Simpson store will be taken over by the mail order division to provide needed additional space for the increasing mail order business throughout the West.

Announcement of the sale was made jointly to the employees. Speaking for Williams were T. W. Caldwell, comptroller and E. H. Morrison, representing Mrs. J. K. R. Williams, president. Simpson's spokesmen were H. G. Colebrook of Toronto, and E. A. Pickering, general manager of Robert Simpson, Western, Regina.

Mr. Pickering announced that E. G. Burton, managing director of Simpson's would be in Regina with-

(Continued on page 2, col. 7)

Ottawa Vetoes Feeder Air Line As Too Costly

OTTAWA (Staff)—The Government has made its first major decision on postwar airline policy for "feeder" or secondary lines.

Through the Air Transport Board, it has turned down three applications by firms wanting to operate a scheduled commercial air service between Vancouver and Lethbridge. Although no public statement has been made as to the reason, The Financial Post is informed that the Government considered too high a subsidy would be needed to make the line self-supporting.

Air Transport Board officials have been wrestling with this "test" case for months (The Financial Post, June 22, 1946). As matters now stand, a very big subsidy . . . reputed to be close to 30 cents a plane mile . . . would be needed to enable this service to operate at a profit. This subsidy would have been over and above air-mail payments.

In its judgment, the board states that estimates of traffic and expenses submitted by Capilano Airways (one of the applicants) makes it evident "that the applicants anticipated the loss of at least 27½c. per plane mile during the first year of operation."

"In this connection," the judgment continues, "it should be noted that the deficit contemplated by the applicant takes into consideration not only the payment by the post office for air mail at the rate of 1½ mills per pound mile, with a minimum guarantee of 150 pounds per day, but also optimistically estimates from four to five passengers per mile flown."

Apparently the board felt that the estimate of four to five passengers per mile flown was too high. As well, the post office, though willing to underwrite the contract on the basis of 150 pounds of mail per day, was of the view that this poundage was quite unrealistic for the present.

In announcing its decision, the Board points out that dismissal of the application is "without preju-

(Continued on page 2, col. 6)

Price Control Faces Test As Boost in Lumber Asked

By KENNETH R. WILSON

OTTAWA (Staff)—The first major test of the Government's "orderly retreat" price policy is imminent.

The test is expected to come over the impending demand of B. C. lumber interests for a price increase, following a 15 cents per hour increase in wage rates throughout the industry.

Already that has been a conflict of view here at Ottawa as to what should be done. Effective August 15, The Financial Post is informed, Timber Controller David Rosenberry has resigned. He is understood to have urged on the Government a $3 per M. price increase for both western and eastern mills. Such an increase would have been "voluntary" on the Government's part. It would have recognized the impact of higher costs in western Canada, due to wage rate increases, and would have kept some balance with prices in the East.

The Government is understood to have turned down emphatically any voluntary or gratuitous price increase without the industry or individual companies first proving "financial need." Not seeing eye to eye with the Government, Mr. Rosenberry tendered his resignation which Rt. Hon C. D. Howe has accepted. Terence Flahiff, housing co-ordinator in the Department of Reconstruction and Supply, is slated to become timber controller.

(An "official" explanation of Mr. Rosenberry's resignation is that there was no "clear cut" disagreement on policy; that he has served the Government now for six years and has asked to be relieved of office for a number of reasons.)

Must Prove Need

As yet, the B. C. timber industry has made no move to put its case for higher prices before the WPTB. Under the present Ilsley-Gordon price control policy, it must prove "over-all financial need." If it can prove that the 15-cent wage increases has put the industry in whole or in part into the red, then a basis exists for price adjustment.

But since there is bound to be dispute about what is, in fact, financial need, the Government expects considerable trouble before this highly contentious question is settled. Already a province-wide tempest has been aroused on the Pacific coast, with the greatest protest coming from operators who buy their logs in the open market. Such firms are said to be squeezed by soaring log prices and a frozen price ceiling with disastrous individual results.

One important feature of this controversy is that it is the first in which WPTB has had to face, in a major industry, direct conflict of an industry-wide wage increase running head-on into the basic control principle of financial need. Mr. Rosenberry would have avoided this conflict by granting a small voluntary increase throughout Canada. But in the view of WPTB officials, such a policy might have jeopardized the present "orderly retreat" program even more seriously than any prospective threat which now appears.

Test Coming Elsewhere

It is expected here that the timber industry will seek an increase of probably $5 to $6 per M. "across the board" plus special adjustments on a number of individual items; now said to be out of line with ceiling quotations. This test of wage rate increases in relation to overall financial need, will also arise in the metal industries once new wage rates are established in basic steel plants.

It is contended here that wage rate increases cannot be considered as an automatic yardstick for price relief without immediate and disastrous "pyramiding" of wage and prices throughout the country. The

(Continued on page 2, col. 5)

Edmonton Seen Vital Air Base On Orient Line

From Our Own Correspondent

EDMONTON—Announcement by the Civil Aeronautics Board in Washington that Northwest Airlines has received authority to operate from the co-terminal points of New York and Chicago via Edmonton to Anchorage, Alaska, has been received jubilantly here, to mean that Edmonton will be a key link in a global air route to the Orient. From Alaska the route will go to Tokyo, Shanghai, Manchuria, Korea and Manila.

A western official said his firm has just been granted a direct air route from the United States to Mexico City. Once this extension is made to Edmonton, residents of this city will be able to fly direct to Mexico City.

The western official estimated there would be no infringement or difference in the operation of TCA and CPA. The former operates from Edmonton to Lethbridge and the latter is flying from Edmonton to Alaska.

A veteran flying official in Edmonton estimated that Northwest Airlines will carry between 25,000 and 30,000 passengers a year from the eastern United States through Edmonton to the Far East The stopovers, it is anticipated, will reflect on business in this city.

Both Northwest Airlines and Western Airlines operated through Edmonton as cargo carriers for the U. S. army air forces during the war. Western Airlines transferred its main office to Calgary recently, but is now expected to re-establish it here.

Kemsley Chain Is Not Buying Toronto 'Tely'

By Staff Correspondent

LONDON.—The Kemsley Newspapers, largest chain in Britain, are not negotiating for purchase of the Evening Telegram, Toronto, and have no intention of doing so.

A positive declaration to this effect was made by Viscount Kemsley, chairman, to The Financial Post, when asked about recurring rumors concerning the Kemsley chain's reported expansion into Canada.

"We have no plans whatsoever to buy newspapers in Canada and are not likely to have," Lord Kemsley told The Post. "As for The Evening Telegram, in which we are reported interested there have been no negotiations and we have no intention of instituting such negotiations."

The Sunday Times, anchor newspaper in the Kemsley chain, has recently established a full-time correspondent in Canada. He is stationed in Toronto.

THE NATION'S BUSINESS

Let's Get to Bottom Of WAC Charges

Grave charges of waste of public money in the disposal of war materials have been made by a young scientist, J. J. Brown, in articles in the Winnipeg Free Press. Further charges were made and documented in two articles in Maclean's Magazine.

The War Expenditures and Economies Committee of the House of Commons, made up approximately of 13 Liberals, eight Progressive Conservatives, and four others, has finally taken official recognition of those charges and has examined their author in four sessions. Elsewhere on this page an article outlines the charges and the evidence brought out at the inquiry.

It is quite clear to any economy-minded layman that the charges are sufficiently serious and their documentation sufficiently impressive to call for the most aggressive and penetrating inquiry.

For instance: The scientist swears he has in his home basement and garage an assortment of equipment which he estimates costs the taxpayers at least $45,000. Yet all that stuff cost Dr. Brown only $900, he declares.

Here's one example: He has 84 air compressors which he values at about $360 each. Buying them in a salvage yard he explained that "the price went up gradually as I got more interested in them. I think the first ones I bought in a pile for less than $2 and at the end of the day I was paying $5 for them."

"They are off Rolls-Royce engines. You can get 300 pounds working pressure on them. I use them for paint spraying, spraying vegetables, blowing up tires, cleaning off my work bench. It is very satisfactory for the ordinary garage mechanic's purposes."

Brown told of other things he got in salvage yards. Two aircraft engines which he appraises at $8,000. He bought them for $20 apiece.

The evidence goes on to report a lot of other things Dr. Brown has purchased at "junk" prices. Those are just a few samples.

This is extremely serious business. Taxpayers won't be satisfied until government gets to the bottom of these charges

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Flouting the Right to Work

In a free country a worker has a right to "withhold his services" or strike, John L. Lewis, United Mine Workers head, told a Calgary audience this week. Under normal conditions no liberal-minded person would be inclined to quarrel with that contention. But there is another right which Mr. Lewis did not mention.

That is the right to work.

This is even more vital and sacred in any free country than the right to strike, but it has been flouted by Mr. Lewis and his lieutenants in Canada and the United States. And it has been largely ignored or forgotten by government authorities in both countries.

It is exceedingly doubtful whether half of the 45,000 men and women on strike in Canada today are idle by choice, and if opinions of their families were included there would be an overwhelming majority in favor of staying on the job. But those eager to work are prevented by a minority which does not hesitate to inflict bodily harm on any person, member of a labor union or not, who attempts to cross a picket line.

And intimidation is not confined to strikes. Under so-called union security, pressure is put on all workers to join the union in control. There is no free choice for the individual. If he refuses to sign up his life is made miserable until he joins. This sort of compulsion should have no place in a country which calls itself democratic.

Canada might well note the action of the Judiciary Committee of the United States Senate which has just recommended that the following amendment be added to the American constitution:

"The inherent right of a person to work and bargain freely with his employer, individually or collectively, for terms and conditions of his employment shall not be denied or infringed by any Federal or State law, or by any organization of whatever nature.

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Closer Check on Lobbyists

The United States congress has passed a bill designed to curb lobbying at Washington. Hereafter all paid lobbyists must register with the authorities and contributions and expenditures for lobbying must be reported.

Legislation in a matter of this kind is liable to prove a poor substitute for public education but the new bill at least draws attention to a situation that has developed to threatening proportions. Washington is full of special pleaders with well filled pockets who in one way or another have been trying to influence legislators.

Smugly, too many Canadians assume that we are free of this sort of thing. Doubtless our lobbyists could still learn something from their busy colleagues at Washington, but there is no question that Canadian legislators are subject to special pressure.

Headquarters and paid officials of various groups have been stationed at Ottawa sometimes for the single purpose of influencing members of parliament and senior civil servants. And their record has by no means been unsuccessful. One notorious victory by such a group was the passing of a law banning the sale and manufacture of oleomargarine in this country. Dominion and provincial legislative members, too, have not been free from floods of form letters, telegrams and postcards and from mass demonstrations and motorcades organized to intimidate and influence.

All this is not to be confused with the action of a trade or labor association in presenting special views or information to any government for consideration. That is a perfectly legitimate and useful function, vastly different from the devious methods of the lobbyist who seeks to buy or scare.

Priorities of Little Help As Auto Output Falters

Automobile priority holders and dealers alike this week nursed their biggest headache of the year—the problem of matching crippled supply to overwhelming demand. While reaction to the Government's new control legislation has not yet crystalized, new car prospects were dimmer than at any time since peacetime production was begun last fall.

Priority holders saw a gleam of hope in the Ottawa order freezing car deliveries to those with certificates, but this dimmed quickly as authorities revealed there were still some 60,000 priority applications outstanding. Not all of these, however, will be granted; a rigid screening process is now in effect throughout the Dominion to eliminate all but the neediest applicants.

Enough For Two Months

In the Toronto region there were enough car priority certificate holders as of Aug. 1 to absorb all the new cars coming in up to the end of September—"if cars keep coming into the region at the rate they did during July," a WPTB official told The Financial Post. The board's regional office had less than 1,000 applications for certificates on July 31 when the Reconstruction Department announced no new priority certificates would be issued after that date. These were being screened in accordance with the Howe edict to ascertain if the applicants were alive, still in a position to buy a new car, and still rated a priority certificate. Across the Dominion, an estimated 17,000 certificate holders still had unfilled car orders on Aug. 1, and WPTB had a backlog of 60,000 applications to screen.

The production picture looked like this:

Ford: Shutdown of the Windsor, Ont., plant predicted for Aug. 15 by President Douglas B. Greig. Company needs steel from Canadian mills for chassis, can get none while the steel strike continues, will run out of stock by that date. Shutdown would affect 14,500 employees, cut off completely the trickle of Ford products to the Canadian market (the West is already cut off, the East's supply is greatly curtailed).

General Motors: Annual plant holiday running through Aug. 5 to 10 inclusive cuts off new car production at the start of the month. Company's ability to resume operations on the July scale when its Oshawa plants reopen Aug. 12 de-

(Continued on page 2, col. 3)

Jeeps Now Drug on Market Farmers Want 'Em, Can't Buy

Frozen out of its market by the current Ottawa order reimposing rigid priority controls, Willys of Canada may have to cut off imports of its civilian "jeep" from the United States, The Financial Post is informed.

Up to July 31, it is reported, the company had been bringing these vehicles into Canada at a rate of 50 to 60 a day. When sale of cars without priority orders was banned, 175 Willys dealers and distributors had about 1,000 jeeps on hand.

Now the company faces an anomalous situation, according to a senior official. Few priority holders are willing to buy jeeps, while farmers, who want them, cannot get priorities—no more are being issued.

The jeep was the only motor vehicle for sale in Canada, which was not in short supply July 31. Approximately 85% of all sold went to farmers; the rest to road and building contractors, or urban buyers who wanted light delivery and general utility vehicles. A few were bought by sportsmen.

"Now the jeep is in the same class as a full-fledged passenger automobile," the Willys official declared. "It's an asinine situation and we have made strong representations to Ottawa about it; but so far, there has been no indication of any change in policy."

Dealers have already begun laying off salesmen, he added, and the large stock of vehicles is virtually frozen, with little likelihood of business developing until either priority restrictions are removed, or the deadline for priority applications is extended, so that farmers can continue to get certificates.

Five Canadian Directors Quit Barclays Bank

Five directors of Barclays Bank (Canada), head office Montreal, have resigned over what is described as "a difference of opinon with the parent institution in England on fundamental policy." The directors who resigned were Allan A. Magee, president; Col. J. L. Ralston, L. A. Taschereau, J. C. Cushing and Henry Borden. The remaining directors, representative of the parent institution Barclays Bank Ltd. are H. A. Stevenson, J. H. G. F. Vale, J. S. Crossley, W. O. Stevenson and L. E. D. Bevan, all with the exception of H. A. Stevenson and Vale, resident in Great Britain.

All directors and officials contacted by The Financial Post refused to give any hint or any information as to the reason for their action. An official bank statement on the incident is also stonily silent as to the reason for the mass exodus of directors. Rumor obviously is busy.

H. A. Stevenson becomes president and J. H. G. F. Vale, general manager. Mr. Stevenson was formerly vice-president and general manager, Mr. Vale manager of Barclays Trust Co. of Canada.

Mr. Stevenson also becomes president of Barclays Trust Co. of Canada.

Barclays Bank Canada was organized in 1929. The late Sir Robert Borden, the first president, was succeeded on his death in 1937 by A. A. Magee, who at the time stated he was taking the office as a temporary arrangement. The bank has two offices, one at Montreal and one at Toronto. It did not issue an annual financial statement but has reported progress from year to year.

Its business is understood primarily to be serving Canadian affiliates of its British customers and in handling relations with the other Canadian banks.

"R.C.A.F. Equipment Junked —I Bought Tons," Testimony

After four lively and vociferous sittings, a parliamentary committee on war expenditures and economies in Ottawa, last week adjourned its examination of Dr. J. J. Brown without having reached any apparent decision on the truth or significance of the Toronto scientist's charges of waste and deliberate destruction of public property by War Assets Corporation

Whether Dr. Brown would be recalled to the stand at some later date was not made clear.

During his second appearance in the witness chair Dr. Brown reiterated the substance of charges he made in two recent articles in Maclean's Magazine, telling the committee that he had acquired "tons" of usable equipment sold to junk dealers by War Assets, and inviting the committee to send a deputation to his home in rural Todmorden, Ont., to inspect the evidence.

The Maclean's articles were not discussed in detail, and were tabled as evidence only toward the close of last week's proceedings. Most of the intervening questioning had revolved around an article which Dr. Brown wrote for a Winnipeg newspaper last March, alleging deliberate mutilation of a number of new aircraft batteries by the RCAF, acting as an agent of War Assets.

Insists Damage Deliberate

Wing Commander E. G. Mahoney, a supply staff officer appearing for the Air Force, denied that the RCAF had ever mutilated batteries. A large 24-volt battery, apparently new and undamaged except for a broken end filler cap was introduced in evidence by Dr. Brown, who reiterated his written assertion that the damage could only have been done deliberately and that he had bought the battery from a junk pile on which approximately 160 other batteries had been damaged in the same way. He filed half-a-dozen RCAF "produce" cards classifying batteries as scrap and said he had taken them from new or repairable Air Force batteries which he saw in the scrap piles of various junk dealers.

"I submit that the Air Forces does not know what it has destroyed," Dr. Brown told the committee. He read excerpts from the minutes of earlier committee sittings in which the Air Force had admitted that for the first six months of 1945 it had followed instructions from War Assets to mutilate certain types of surplus and repairable equipment. He also read a memorandum in which the RCAF was quoted as admitting that it "might have mutilated" miscellaneous electrical stores

"Wing Commander Mahoney has already told the committee that the Air Force classifies batteries under the general heading of electrical stores," Dr. Brown said.

Cost $45,000; Paid $900

Under questioning by John Murphy (P.C. Lambton West), Dr. Brown made a partial inventory of the public-owned machines and equipment which he said he bought from junk dealers after being sold as scrap by War Assets The list included complete aircraft motors, air compressors, hand tools, blowers, aircraft generators, storage batteries, radio chassis, compasses, small electric motors, oil pumps, radio transformers, radio resisters and gauges. Total original cost he estimated at $45,000. The cost to him in the junk yards he estimated at $900.

"I have probably thousands of things," Dr. Brown said.

"What percentage would you consider new?" Mr. Murphy asked. "I do not like to give an estimate," Dr. Brown replied.

"What percentage is usable, serviceable?"

"It is all serviceable or I would not keep it in my basement; I have not room," the witness answered.

Member of No Party

At one stage, the witness was asked to tell the committee whether "his ideologies are quite in conformity with those of a good Canadian citizen."

Alistair Stewart (CCF, Winnipeg North) took "the strongest exception to this line of evidence." Hughes Cleaver (L., Halton), insisted "it is a fair question."

After a warm discussion, Dr. Brown told the committee he was of Anglo-Saxon descent. As for his politics, he said, "I was born in Penhold, Alberta, of an old Grit family. Members of my family have run for this House of Commons and have been prominent in the Liberal forces in Windsor, Ontario, for many years . . . The farthest to the left, if it is called the left, that I have ever ventured is to the CCF party, and at the present time I am not a member of any political party. . . . I have never had any dealings with the Communist party in this or any other country. I do not believe in their philosophy of Government. I find very little to agree with in their way of doing things. I have, in other words, nothing to do with them."

Inside News

Don't Ration Degrees!

If Canadian universities are graduating more students than the Dominion can absorb, the solution is not to curtail the number, but rather to widen the field of opportunity, so they can be absorbed. This is the view expressed by the majority of a group of educationists, businessmen and other Canadians questioned by The Financial Post. (p.9)

Eager to Aid, But . . .

Premier Drew of Ontario declares that province is eager to aid others, but not a the price of a financial agreement with Ottawa, which would jeopardize its own future. Saskatchewan Liberals chose a successor to W. J. Patterson as provincial leader. Provincial Roundup. (p.3)

Four-Wheel Torpedo

Newest entrant in the postwar automobile race, the Tucker Torpedo expects to go into production in Chicago early next year. Weighing about 2,000 pounds, 1,000 pounds lighter than comparable models, it aims at a top speed of 130 m.p.h. A new mechanical pipe lighter devised by a U.S. ex-GI, operates on the chimney flue principle. What's New in Business (p. 13).

Tiny Bug Has Big Role

The future supply and price of Canada's shellac, a vital ingredient in varnishes and lacquers, depends on an insect in India—Laccifer Lacca, the bug which produces lac, the basic ingredient of shellac. (p. 14).

Some Germans See Light

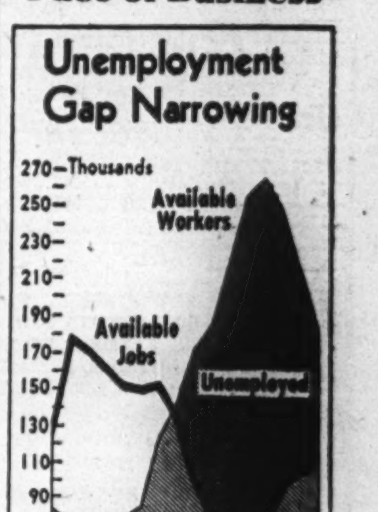
German industrialists must share Hitler's guilt, one of their number admits; and voices fear that unless German industrial recovery is speeded, a new Fuehrer may arise to exploit the nation's despair. "Germany can help to preserve peace if she is allowed to work and to produce," he states. Chalmers' Diary (p. 7).

Bread Ration Headache

Bread rationing is proving "an unholy muddle" in England, and the reaction is seen in reduced Government majorities in two by-elections. Herbert Morrison appears to be losing his fight with the press. Winston Churchill is once more in his best fettle, and has declared war to the end against the Bevan bill to socialize British doctors. London Calling, by Adelphi (p. 20).

Banking News 15
Construction Trends 15
Labor Roundup 8
Life Insurance News 14
Mine Development 18
Provincial Roundup 3
What's New in Business 13
You Asked Us 13

Pace of Business



Not since last year end have more jobs and fewer applicants for them been recorded by the Employment Service of Canada. Still far from last year's surplus of jobs over available workers, the employment picture has nevertheless shown consistent improvement since March. Shaded area in the chart, depicting the excess of applicants over available jobs indicates the gradual decrease in unemployment as reconversion moves forward despite strikes and other obstacles.

Unable to Shop In Person?

LET EATON'S PERSONAL SHOPPERS DO IT FOR YOU

Wherever you are . . . in town or country . . . a brief note stating your requirements addressed to EATON'S SHOPPING SERVICE will put a capable, experienced shopper on the job! Our Shopping Service staff is wise in the ways of buying . . . expert in interpreting our customers' needs and wishes. Wonderful gift buyers, too!

SHOPPING SERVICE
EATON'S

Hear Bankrupt Firm Owes $1,090,000 in Income Taxes

MONTREAL—Among creditors of Hull Iron and Steel Foundries, which went into bankruptcy last month, is the Income Tax department, whose bill is reported to be around $1,090,000, it is reported here.

As a result, it is stated, ordinary creditors of the company are likely to realize "not a red cent" from a forthcoming sale of its assets. Three or four persons or companies—The E. B. Eddy Co. is mentioned as one—are said to be bidding for the plant, valued at $500,000, with tenders to be opened late this week.

It is understood the amount of the Income Tax Department's claim was not known until a recent meeting of creditors and that the company had underestimated its liability.

Secured Creditors

1. Scott Estate, Hull, Que.	$44,799
2. Imperial Bank	562,625
	$607,424

Preferred Creditors

1. Work. Compen. Bd. (est.)	12,000
2. Wages, salaries, etc.	35,587
3. Employers Inc. Tax deduc. Dept. of Nat. Rev.	18,607
4. Imperial Bank, Employees Victory Loan	2,355
5. Unemployment Ins. Comm.	376
6. City of Hull, taxes, water rates	25,258
7. Hull School Comm., school rates	28,676
8. Sales Tax, Dept. of Nat. Rev.	609
9. Sales Tax, Prov. of Que.	25
10. Quebec Min., Wages Comm. levy	339
	$123,833

Note—Item 6 sets out taxes to July 9, 1946. An additional $17,867 has been demanded for May 1, 1946, to Apr. 30, 1947.

Unsecured Creditors

Those with a claim for over $5,000 include:

B. A. Oil Co.	$7,591
CPR	7,624
Canadian Foundries Supplies & Equip.	6,283
Gatineau Power	14,830
John Heney & Son Ltd., Ottawa	8,500
Peoples Gas Supply	8,895
Sacks Bros., Ottawa	6,832
Safety Supply Co.	5,172
Stevenson & Kellog Ltd.	5,500

A total of 359 unsecured creditors are listed for a total of $175,729.

Liabilities

1. Unsecured creditors		$175,729
2. Secured creditors	$607,424	
May rank for an undetermined amount dependent on realization		
3. Liability on note endorsed expected to rank against the Estate		1,484
4. Preferred creditors		123,833
5. Contingent Liab. on directors note	6,850	
Expected to rank for nil.		
Total		$301,046

Assets

Book debts (less reserve) est.	$10,000
Cash	317
Miscellaneous	2
	$10,319
Deficiency	$290,727

Note 1: Liability to the Crown of income and excess profits taxes has not yet been determined and no amount included among unsecured creditors.

Note 2: Securities held by secured creditors.

Land and buildings—cost	$1,123,046
Mach., equip., autos, trucks—cost	891,762
	2,014,808
Reserve for deprec.	1,595,299
	419,508
Accts. rec. assigned	111,223
Investments (at approx. m.v.)	33,528
Inventories (est. at cost)	100,000
C.S.V. of Insurance	5,308
Advance to director assigned	3,976
	$673,543

Priorities Vain As Output Off

(Continued from page 1)

pends upon its supply of parts and materials from other industries, a number of which are directly and indirectly affected by strikes.

Chrysler Corp.: Strike of its 4,000 employees at Windsor and Chatham enters its eighth week with no indication of settlement.

Studebaker: South Bend, Ind., plants closed down for past two weeks due to acute shortages of components. Deliveries to Canada nil.

Nash: Kenosha, Wis., plant keeps going on a day-to-day basis, turning out about 600 cars a day, ships less than 5% of its daily output to Canada. "They never know when they may have to shut down over there with the U. S. parts supply situation as bad as it is," said a Canadian representative. The few Nashes that are coming through are fitted with bumpers, seats, door springs, but most Nashes delivered to U. S. dealers still lack these items.

Hudson: Hudson Motors of Canada reports that up to July 1 it has "made more 1946 automobiles available to Canadian buyers than any other importing company this year." Future deliveries, it is reported, will "increase as rapidly as incoming materials permit."

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

Harold E. Smith, Ltd. — C. A. Smith, president.

Canadian Credit Men's Trust Association — G. M. Bourgoing, president, Quebec division.

Ottawa Valley Trust Co. (Ottawa) —G. Gordon Gale, president; J. Gordon Fleck, C. M. Edwards, vice-presidents; J. S. Shakespeare, general manager.

Canadian Pharmaceutical Association — Harold Mercer (Lindsay, Ont.), president; Bliss E. Brown (Saint John, N.B.) vice-president; J. W. Preston (Toronto) secretary-treasurer.

Canadian Advertising Agency Ltd.—R. M. Dagg, Vancouver manager.

American Home Products Corp. (New York) — William Harrison, Montreal, a director.

Ford Motor Co. of Canada (Windsor, Ont.)—Robert S. Bridge, general works manager.

Standard Radio Ltd. — Lloyd Moore, a director.

White Motor Co. of Canada (Montreal)—L. M. Hart Jr., president and managing director.

Bank of Montreal — N. George Runians, superintendent western division; A. C. L. Harshaw, manager securities department, head office.

Manufacturers Life Insurance Co. —Graeme D. Nicholl, manager for Ceylon and India; Gordon T. Phillips to be manager City Branch, London, England.

Canadian Foundation for Advancement of Pharmacy — William Harrison, Montreal, president; C. C. White, Toronto, vice-president; C. H. Lander, Montreal, honorary secretary.

Canadian National Railways—James B. Thom, European manager; Edward A. Ryder, assistant to traffic vice-president; J. F. Salmon, bridge engineer, central region.

Canadian Street Car Advertising Co. (Montreal) — G. A. Galbraith, general sales manager.

New Zealand Government—J. A. Malcolm, Trade Commissioner in Canada; A. W. Broadbent, assistant commissioner.

Great-West Life Assurance Co.—David E. Kilgour, superintendent of agencies.

Canada Bread Co. (Toronto)—L. F. Enright, secretary.

Ekco Products Co.—W. B. Eakin, Montreal, general manager.

American Foundrymen's Association—Joseph Sully, Toronto, member of executive.

Look For It Here

REGULAR FEATURES
Aug. 10, 1946

Adelphi	20	Mkt. C'ment	17
Announcing	2	Mines	18, 19
Banking	15	Concentrates.	19
Business Week	7	Nfld. Letter	10
Chalmers' Diary	7	Oils	18
Construction	15	Post Scripts	6
Dividends	17	Prov. Roundup	3
Editorials	6	Quotations	16
Grain	8	The Question	9
Investments	7	What's New	13
Insurance	14	You Asked Us	13
Labor	8		

MINES AND OILS

Akaitcho Y'nfe	18	Jack Lake	19
Armistice	19	Kerr Lake	18
Bidd Cons.	19	Lake Shore	19
Barbary	4	Latomic R. L.	19
Breyhern Expl.	19	Loison R. Lake	19
Cathroy Larder	19	Mackenzie R. L.	19
Claremont	19	Madsen R. Lake	19
Continental	19	Martin McNeely	19
Cordell	19	Mary Ann	19
Crowshore Pat.	19	Nareco	18
Duthie	19	Noranda	18
East Sullivan	19	North Inca	19
Eldona	18	Omega	19
Falconbridge	19	Philmore Y'nfe	18
Hallnor	18	Proprietary	20
Hard Rock	19	Silver-Miller	12
Hedley Mascot	14	Trans-American	19
Hollinger	9	Waite Amulet	18
Home Oil	19		

INVESTMENTS

Ashdown	4	Int. Utilities	13
Brazilian	9	Investments	4
Canada Bread 6,	13	Jam. P. Service	9
Cdn. Motor L.	14	M. & O. Paper	17
Dupuis Freres 7,	13	Mersey Paper	4
East. Bakeries	13	Montreal LH&P	5
E. Koot. Pwr.	20	Provincial Pap.	8
Federal Grain	4	Silverwood D.	5
Famous Players	4	Stelco	4
Goodyear	17	St. John Dryd'k	13
H'rison Springs	13	Walker's	4

15-cent B.C. Wage Boost Upset Ottawa Applecart

OTTAWA (Staff)—The most significant testimony in the Parliamentary probe of the steel strike came last week from Arthur MacNamara, Deputy Minister of Labor. He admitted frankly that the Sloan decision of a 15½-cent-an-hour increase to B. C. lumber workers "upset the applecart" in respect of the Federal Government "plan" to bring about a country-wide wage increase of not more than 10 cents an hour for steel, rubber, electrical and other industrial wage earners.

The Sloan decision came on June 15 and was accepted on June 27. As reported in The Financial Post on June 8, the Ottawa view held at that time was that such a decision would be "ruinous" if made general in steel and other industries in eastern Canada, which were then in the throes of wage argument and strike action.

Said Mr. MacNamara to the Parliamentary committee: "We were worried about the situation in B. C. The danger of establishing a pattern of 15 cents will be evident and the question is one of considerable importance as to what we will do about it."

Can It Continue?

Mr. MacNamara told the committee that provincial wage boards had been left alone to make their own decisions, but that "it was a moot point as to whether that can continue if we find these differences in decisions."

What now worries the Government, in retrospect, is that it let the Sloan decision "slip through." Had something been done to head off this decision and reach a settlement at a lower figure, the steel crisis might never have arisen. The Western Bridge strike and the Heaps Engineering Co. strike in Vancouver have both been settled in recent days by 15-cent increases similar to that given the timber industry. (One other strike at a B. C. foundry was settled last week for 10 cents.)

In Difficult Position

Had the B. C. decision been different, the Government would have stronger ground around which to build the defense offered by witnesses like Donald Gordon, and Hon. Douglas Abbott, for the need for holding the industrial wage line within a 10-cent increase. The MacNamara testimony shows clearly that it was the Sloan decision which played directly (and accidentally) into the hands of CCL and made the Government's present position difficult, if not untenable.

Another Government embarrassment is the fact that it took over control of steel plants without counting the probable cost. In PC 2901 there are bristling sanctions which the Government said it would impose in the event of a strike against itself. Prime Minister King is reported to have been very worried about these sanctions, but to have been assured before he approved the order, that they would not be needed. Now the Government would like to get rid of these strike penalties (penalties which it never intended to impose) and concentrate on penalties for illegal picketing, which it believes it could enforce.

Price Controls Facing Test in Lumber Case

(Continued from page 1)

Government knows also that if, in the timber and metal industries, substantial wage increases are granted, and no price increases are found justified, on the basis of financial need, then trouble lies ahead, where black markets and distribution problems such as have bedevilled the timber industry exist.

If the impending timber case for higher prices is turned down by the board, the case may be put before the public. As a rule, applications for price increases which are refused, are considered confidential by WPTB officials. But in view of the importance of the timber case and the heated newspaper discussion already aroused in B. C. papers, a full-dress discussion of this controversy may be expected.

Have Asked U. S. Raise

Canadian lumber producers and dealers, through the Canadian Lumbermen's Association, Ottawa, formally have asked the U. S. Office of Price Administration in Washington to grant an immediate 10% price boost on lumber products exported to Northeastern U. S. The news came as a dollar-parity echo from CLA Secretary-manager W. J. LeClair, visiting New York and the U. S. capital this week.

A day or two before in Glace Bay, Cape Breton, N.S., the N. S. Lumber Dealers' Association went on record as urging Ottawa to set a higher domestic price ceiling on lumber "to meet wage demands and equalize domestic ceilings with export prices." NSLDA stand is that lumber here will continue in short supply so long as it is more profitable to export.

The request to Washington, warning that diversion to other than U. S. markets will follow without immediate hoist of the U. S. ceiling price, reportedly stated: "Profit position of the Canadian mills is such that they cannot accept a 10% reduction in price on U. S. shipments and remain in business. With insatiable alternative markets available, they do not need to do so and obviously will not."

Dosco Steelmen Block Supplies

SYDNEY (Special)—Rifts in local relations among some CIO unions and between CIO and AFL unions, may develop over United Steelworkers' recent sudden reversal in barring shipment from the strike-bound Dosco plant here of coke, nails and other supplies for slowly starving Maritime industry. Widespread layoffs appear due if that attitude and the steel strike continue.

United Steelworkers CCL-CIO, getting tough even with its affiliate, United Mine Workers, has turned thumbs down on a UMW request for enough coke to keep Dominion Coal Co.'s machine shop going. As well, it has ignored a plea for nails from United Brotherhood of Carpenters AFL. Both have been contributing to the steel strike fund.

"This is a total strike; nothing will be allowed out of the plant until it is settled," Steelworkers officials have maintained.

Possible closing of some mines is foreseen in that industry if Dominion Coal doesn't soon get the coke needed by its foundry to keep essential mine machine parts in production.

Maritime Marine Workers President George F. Leslie is urging Canadian metal trades' unions to demand that Ottawa settle with the Steelworkers before mid-month unless it wants a general strike of all the metal trades. He said most shipyard workers will be on the streets anyway if the strike is prolonged; that a number in Sydney already have been laid off because of steel shortage and that the layoff will spread rapidly.

Doubt Free Ports Near For Canada

OTTAWA (Staff) — No great encouragement can, or will, be given to civic representations now seeking legislation for establishment of free ports in Canada. Mayors from Saint John and Halifax and the industrial commissioners of Quebec and Saint John sought early government action on this matter this week, when they met members of the Cabinet.

One reason the Government will not commit itself, is that it has not even received the report of its own interdepartmental committee, named to study this matter last year. This committee sought the views of eastern cities as to desirability of free port legislation, but it has not yet gathered up the ends of its study; and there is little likelihood of its report being ready in time for legislative action this year.

Behind this leisurely pace for study of free ports, is a general view around Ottawa officialdom that there isn't much of a case for the free port, when all economic and fiscal arguments are mustered.

SHAWINIGAN WATER & POWER CO. has started construction at Dorchester Street and Beaver Hall Hill in Montreal of its new $1.8 million office building, 12 stories, 86 by 131 ft., steel frame, Indiana limestone face, three oil-fired boilers, three elevators, fluorescent lighting. Architects are Archibald & Illsley and A. Leslie Perry; contractor, J. L. E. Price & Co.

Fed. Foundries Backlog Good

Chief Problem Is Labor—Only Indirectly Affected By Steel Strike

Although Federal Foundries & Steel Co., London, Ont., operated at a loss for the first part of 1946, operations of the last two months have shown a profit, The Financial Post is told. Sufficient orders are on hand to ensure capacity operation, with manpower available, for at least the balance of the year. Prices are said higher than at any time during the war.

Good export orders have been received from Switzerland, Mexico, Brazil and Argentine, mainly for manufacturing or tool steel, although there is a good demand from Mexico for mining steel. Orders were on a Canadian dollar basis so they have not been affected by dollar revaluation, it is stated. Domestic business is holding up well, particularly for mining steel. Tests of Federal's mining steel at three mines have proved its "toughness" and brought further orders.

Principal problem for Federal Foundries is labor, The Post is told. At present 192 men are employed but 25% more could be used if available. Production of electric castings—a new line—particularly is held up principally by the labor shortage.

But the current steel strike is not causing the company any great alarm. Federal Foundries does not depend on outside steel but makes its own from steel scrap. However, the unsettlement caused in the motor industry by the steel strike is holding up orders from this source although this represents merely a delay, not a cancellation, it is pointed out. Unfilled Russian orders are still on the books, awaiting clarification of their position from the Dominion Government.

Bonds and notes outstanding are unchanged since Dec. 31, 1945, The Post is told. ($495,000 first mortgage bonds and $50,000 collateral notes.)

CANADIAN PACIFIC RAILWAY CO. reports gross earnings for the ten days ended July 31 at $8.3 millions down $1.6 millions or 16.1% from the corresponding 1945 period. Cumulative gross earnings for the year through July 31 were $163.5 millions, a decrease of $20.2 millions or 11% from the corresponding period of last year.

Ottawa Vetos Feeder Air Line

(Continued from page 1)

dice to the applicants' resubmitting at a future date, renewals of their applications, if future conditions warrant it." This means that if these or other companies can, in future, see their way clear to closing the gap between anticipated revenue and expenditure on this particular service, the Government might reconsider.

Dismissal of this application, does not, of course, close the door to all feeder operation which required government subsidy. It does, however, indicate the Government's unwillingness to put a lot of money into subsidizing lines which do not hold good prospect of becoming self-supporting in a reasonable time.

FOUNDATION CO. shareholders met in Montreal recently at a special general meeting and approved special by-law "E" authorizing, among other things, the issuance of $750,000 of 3% debentures. The debentures will mature in equal annual installments over a period of 10 years and proceeds will be used to replenish the company's working capital and for the purchase of additional equipment.

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BANK OF MONTREAL

Robert Simpson Co. Expanding

(Continued from page 1)

in 10 days to give details of Simpson's pension fund and other information to the staff. He also stated that Mr. Caldwell and W. J. Scott, merchandise manager of the Williams firm, would remain with the organization.

Mr. Pickering went to Regina in 1941 to head Simpson's western division after a varied career during which he served as assistant private secretary to Prime Minister King, and assistant to the general manager of the Canadian Broadcasting Corp. He joined the Robert Simpson Co. in 1939 as circulation manager in the mail order division.

The Williams firm was incorporated in 1906 with an authorized capital of $1,000,000. This was reduced Jan. 16, 1946 to $977,050 in $50 par value shares. Recently the company was reported to have a paid-up capital of $686,550, all held by the Williams family.

The sale was arranged by the Canada Trust Co., who with Mrs. Williams and her sons, were executors under the will of the late J. K. R. Williams, president from 1896 until his death in 1939.

ATTENTION ! ! ! MANUFACTURERS

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Wash Machine Prices Going Up

Suspension of OPA in the United States resulted in a $15 increase in at least one line of American-made washing machines. The Financial Post is informed. Prices on ABC washers, marketed in Canada through Northern Electric Co., have been stepped up on authority of a WPTB order dated July 11. Two models are now selling at $135.75 and $147.74.

The U. S. mainufacturer raised his prices after ceilings were lifted, and the Canadian distributor was granted a corresponding increase. However, not many of the machines have thus far reached the Canadian market.

Canadian manufacturers of gasoline-powered washing machines are making a little more than they did when ceilings were established. At that time an excise tax amounting to about 25% of the factory billing (12% of list) was charged and included in the retail price. When the tax was taken off, prices of gasoline models were thrown out of line. Most makers are billing them to dealers at the old ceiling prices in accordance with their prerogative of selling them up to ceiling. Such machines, sold in non-electrified areas of the country, retail up to $179.

The Financial Post learned of no authorized increases in prices of Canadian-made household appliances, but was told that with increases affecting most American-made merchandise of this class, Canadian distributors will probably apply for price increases.

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The Store for Men Simpson's Second Floor.

The Provincial Roundup

Maritimes

Ferry Problems Island Headache

Transportation headaches multiplied on Prince Edward Island. First the new Northumberland ferry, Charles A. Dunning, found it impossible to dock at the Wood Islands terminal at low tide; damaged her rudder in the attempt, and was off the run for two days; cancelled the low tide trip, in consequence. Now came word that the new car ferry Abegweit, earlier scheduled for September delivery, could not be completed before December at the earliest, and might not go into service this winter (officials believed it would be better for such an ice-breaking craft to start operations in the summer, in order to be properly broken in before having to buck the ice fields). The Abegweit has been in the planning and construction stage for five years—ever since sinking of the Charlottetown in 1941. The new ferry, incidentally, was to be pictured on Canada's coming issue of $1 postage stamps.

More and Bigger Lobsters: A 7-in. minimum imposed on lobster fishermen on Prince Edward Island's north shore, was paying off in terms of bigger, better and more crustaceans. This year's catch of 7,708,500 lb. was up 2,447,500 lb. from 1945; and, at $1,493,933, was worth $321,074 more to fishermen. Improved supplies of ropes, nets and labor were contributing factors. Yet in the middle of the season, fresh lobsters were scarce in Charlottetown. Over 80% of the catch went to the United States, some of it by air; some of the balance to other Canadian provinces. Observers expected present prices to continue, despite the effects of parity.

Ten-Year Plan: Nova Scotia expected to have public works projects totalling nearly $9 millions completed, under way or ready to start, by the end of 1946. And that, said Premier Angus Lewis Macdonald (pinch-hitting as Minister of Highways and Public Works), was only the first step on a five-to-ten year program, aimed at: increased prosperity for Nova Scotia, a minimum of unemployment, and improved public services.

Biggest item in the program was more than $4 millions earmarked for highways. In Halifax, the new $2 millions, 15-story Victoria general hospital, was nearing completion. The Barrington Passage causeway was designed to link Cape Sable Island with the extreme southwest mainland of the province, at a cost of approximately $500,000. Expansion of the Agricultural College at Truro would probably involve $1 million. Million-dollar vocational schools were also projected in Halifax and Sydney, with the province bearing one third of the cost . .

And Incidentally: Halifax was negotiating with Nova Scotia Light & Power Co., for bus transportation in place of street cars . . . Brooklyn area of Liverpool harbor was being widened and deepened, to facilitate shipping . . . Nova Scotia Textiles announced plans for a branch at Bridgetown, employing over 50 . . . British American Oil planned a new wholesale distribution plant, including tank sotrage facilities, at Digby . . . New suburban bus routes linked Bridgewater, Lunenburg and Riverport; Port Maitland and Yarmouth.

Flames Flare Anew: Forest fires fanned by rising winds, flared anew in the Brooklyn-Lakeville district, menacing orchards and farm buildings, and bringing a call for fire-fighting reinforcements. Earlier, 200 men had brought the blaze under temporary control, after it had restroyed more than 100 acres of woodland.

Operation Packhorse: Canada's first major postwar Arctic expedition labelled "Operation Packhorse," was under way, on an 8,000-mile itinerary. The 175-ft., diesel-powered, Nova Scotia-built Beaver was en route to Baffin Island and through Hudson Bay and Chesterfield Inlet to Baker Lake, to deliver RCAF supplies at a chain of specified caches.

• • •

Building Resists Starvation Slump

Seven-month total of 1946 construction contract awards is $410.2 millions, against $226.2 millions in 1945, according to the monthly summary of MacLean Building Reports Ltd. The July total is $67.6 millions, against $66.4 millions month before and $50.4 millions year before. Thus July awards, despite continued critical shortage of key materials and skilled labor, resisted the contra-seasonal slip recorded in June.

As sharp reminder that material and labor shortage is seriously hampering building in Postwar Year 1, residential construction showed decline for the second consecutive month. July housing awards were at $21 millions against $23.2 millions year before.

Combined business and institutional building—stores, theatres, garages, hospitals, etc.—was sharply up in July, $19.7 millions against $9.6 millions year before. Engineering construction, mainly because of Ontario Highways Dept's $10 millions splurge, stood at $21.1 millions, up $8.2 millions from year before.

Quebec

School Shutdown Teachers' Threat

New School Headache: Premier Maurice Duplessis' Bill No. 24 "to ensure the progress of education," had apparently solved some school problems, only by creating new ones. One of these loomed in a possible shutdown of scores of rural schools next month. The Legislature, last spring, set a minimum salary of $600 a year for women teachers. Now complaints were heard that many local school commissions were making that minimum their maximum. President Leo Guindon, speaking for nearly 8,500 members of the General Corporation of Quebec Catholic Teachers, said only two rural school boards had signed collective agreements; warned of "virtual paralysis" of the rural education system, unless others fell in line.

Polio Threatens Anew: The poliomyelitis (infantile paralysis) menace, often said to recur in six or seven-year cycles, was "becoming serious" in Montreal. Health Director Dr. Adelard Groulx reported 43 cases this year, with four deaths, victims ranging in age from 4 to 24 years. (Ontario reported "more cases than anticipated," but officials there "hesitated to term the situation serious, as yet"). The Canadian Medical Association Journal threw out a suggestion that fruit or vegetables, contaminated by virus-bearing flies, and eaten raw, unpeeled and unwashed, might be an agent in spreading the disease.

Pardon Dodgers?: Quebec City's Le Soleil predicted an early "general amnesty" for all army deserters and draft dodgers, which would leave them "with no judicial record." (Ottawa sources indicated the question was under consideration, but was meeting "strong opposition.")

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Ontario

Won't Jeopardize Province's Future

Proud to lead "the only Government in the world that calls itself Conservative," Ontario's Premier George Alexander Drew picnicked at Port Stanley, made a speech, ran a race. Stressed: "We are first of all, Canadians . . . we want the strength of this province to be the sheet anchor for the rest of Canada . . . we want other provinces to have fullness of development; are willing, if necessary, to pull them forward at top speed." However, "we have a mandate to keep Ontario strong . . . will sign no pact to threaten Ontario's future development and expansion."

Addressing Western Ontario Progressive Conservatives, Drew called for "political organization in the very best meaning of those words, to preserve the very fredom for which Canada's forefathers fought." To labor criticism, he replied: "No Government since Confederation has done more to ensure collective bargaining and to guard the rights of labor, than this Government." In the foot race for legislators, Drew ran second to Middlesex South's Harry Marshall Allen, five years his senior.

Cheaper Vitamin E?: Vitamin E treatment for heart ailments might soon be within the reach of all sufferers, Health Minister Russell Temple Kelley intimated, studying the process which many hailed as "almost miraculous," but which costs a sufferer approximately $2 a day. If convinced of its merits, Kelley hoped to see the treatment made available at much lower cost. A Toronto man, reporting a cure in his own case, offered to launch a campaign for public funds, and to start it off with a $100 donation.

Want Shooting Curb: The second fatal shooting in a month, of a 'teen-age fugitive, stirred a movement in Ontario for stricter regulation of police use of firearms. In Toronto, Police Constable George V. Joyce faced a manslaughter charge, after the death of Donald Robertson, 14, whom he was pursuing as a theft suspect. In Guelph, three guards at the Ontario reformatory awaited grand jury indictment on manslaughter or lesser charges, arising from the shooting of Donald Parks, 18.

Troops Fight Flames: Forest fires, rampant earlier in Nova Scotia and New Brunswick, this week menaced Ontario's holiday-land. Troops from Camp Borden were called out to help fight flames in the Sparrow Lake area. Other dangerous blazes were reported in Muskoka and Parry Sound districts, and 500 square miles of woodland in the Cochrane district, were ordered closed to travel. Dry weather also created "extreme" fire hazards in Haliburton, Hastings and Frontenac.

Noblesse Oblige: Fort William's CCF mayor, Garfield Anderson, M.P.P., prepared to play host to his opponents in the Ontario legislature. Premier George A. Drew and four members of his Progressive Conservative Cabinet, were to attend the annual convention of Ontario mayors and reeves in the Lakehead city, Aug. 15 to 17. The convention posed a housing problem. Plans were made to provide rooms for some 40 delegates in the Old Folks' Home. Many others were expected to sleep on the ship which brought them to Fort William.

Bread? No. Cake? Sure: "If they haven't bread, let them eat cake," said Marie Antoinette; and more than a century and a half later, citizens of North Bay, Ontario, faced the prospect of having to accept that advice. Bakers, facing an increasing flour shortage, talked seriously of utilizing their supply for cakes, in which it would go farther, and yield a higher profit margin, rather than for bread.

Strike Right for Police?: Ontario Police Association, heard the right of police to strike, defended by Guy Merrill Desaulniers, legal counsel for the Canadian Brotherhood of Policemen: "The right of public servants to strike is a federal matter, and not one controlled by municipal corporations . . If employers act in bad faith . . . unions should use every moral and legal right to get adjustments." Desaulniers hailed Quebec as "the only legislative body in America, which has given policemen full union and collective bargaining rights;" voiced hope that Ontario police unions would join those of the neighbor province "in fighting for better conditions."

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Prairies

Tucker Is Boomed As Party Leader

"It looks like Tucker" was the forecast as Saskatchewan Liberals gathered in Regina this week to name a successor to William John Patterson as provincial leader. Walter Adam Tucker, 47, M.P. for Rosthern since 1935, parliamentary assistant to the Minister of Veterans' Affairs since last September, was severely gassed at Valenciennes in World War I; "went active" again in 1942, and won a captain's rank.

Socialize Gas, Oil?: The provincial CCF convention in Moose Jaw urged taking over of gas and oil resources by the provincial Government—but not "immediately," as the original resolution proposed. Natural Resources Minister Phelps said the Government did not yet feel ready to take over the field, but "will move at the appropriate time."

The party's junior section, The Cooperative Commonwealth Youth Movement, rejected a resolution asking that CCF propaganda be spread wherever possible by Saskatchewan school teachers; advocated socialization of the brewing industry, elimination of liquor advertising, and institution of a temperance campaign.

Chiselers Warned: Labor Minister Charles Cromwell Williams sounded a warning to employers, against attempted evasion of the workers' holiday law which came into force last month. "False or misleading statements," or interference with enforcement of the Act, may bring a fine of $25 to $100 (or the option of 10 to 30 days in jail) for a first offense. Employers underpaying workers face a fine, plus the obligation of making up the amount due.

Study Credit Needs: Seeking a yardstick by which to measure the province's short, intermediate and long-term credit requirements, the Government launched a survey of credit and financing needs, and the role of co-operative credit in meeting them. Also under way was a vegetable marketing survey, with a view to possible Government entry into that field.

Tough With Drivers: Cracking down on careless or drunken motorists, Saskatchewan this year has cancelled licenses of 42 for three months; 42 for six months, six for one year and 27 for an indefinite term. In addition, licenses of 235 drivers were changed from the "preferred" white certificate, to blue, for minor infractions.

More for Manitoba: Manitoba's Premier, Stuart Sinclair Garson, reported progress on an agreement with Ottawa, subject to ratification by both Cabinets: The province would receive an "irreducible minimum" grant of $10,946,160 a year (an estimated net increase of $3,574,109) for five years, beginning in 1947; would agree, in return, to levy no income tax or succession duties and no corporation tax over 5%. Pressing for agreement also on social service proposals advanced last April, Garson said the answer was that these could not be implemented until "a sufficient number" of provinces entered into financial agreements.

Lid Stays on Scotch: The liquor lid came off in Manitoba this month (apart from Scotch whisky, which continued at the quota of one 26-oz. bottle a month, when and as available). Abolition of other wartime rationing, allowed Manitobans to buy two quarts of rye, six quarts of wine in a day (but not every day, liquor commission officials stressed). French liqueurs and brandies were appearing on the shelves for the first time in six years; also imported wines from France, Spain, Portugal. —prices in many cases 50% above pre-war. "Sizeable" shipments from England and Scotland, via the Hudson Bay route, were expected at Churchill later this month.

Hope to Escape Polio: Manitoba health authorities, reporting the smallest incidence of infantile paralysis in many years, voiced hope the province would escape the epidemic now raging in Minnesota. Last and most severe attack in the province's history, in 1941, affected 1,006 persons. Up to Aug. 1, only four cases had been reported this year.

Cause for Fear: Canada "has every reason to fear, not only the Soviet Government, but the Russian people," said His Eminence James Charles McGuigan, Canada's first English-speaking Cardinal, in Calgary: "We must keep safe and firm the foundations on which our country is built . . . must preserve our heritage . . . our boys and girls fought and fell for freedom; it is up to us to do our part in preserving it."

New Custom Peak: Edmonton reported record customs collections of $820,914 last month, up $188,667 from a year before. Previous peak collections had been in 1916 and 1917.

West Coast

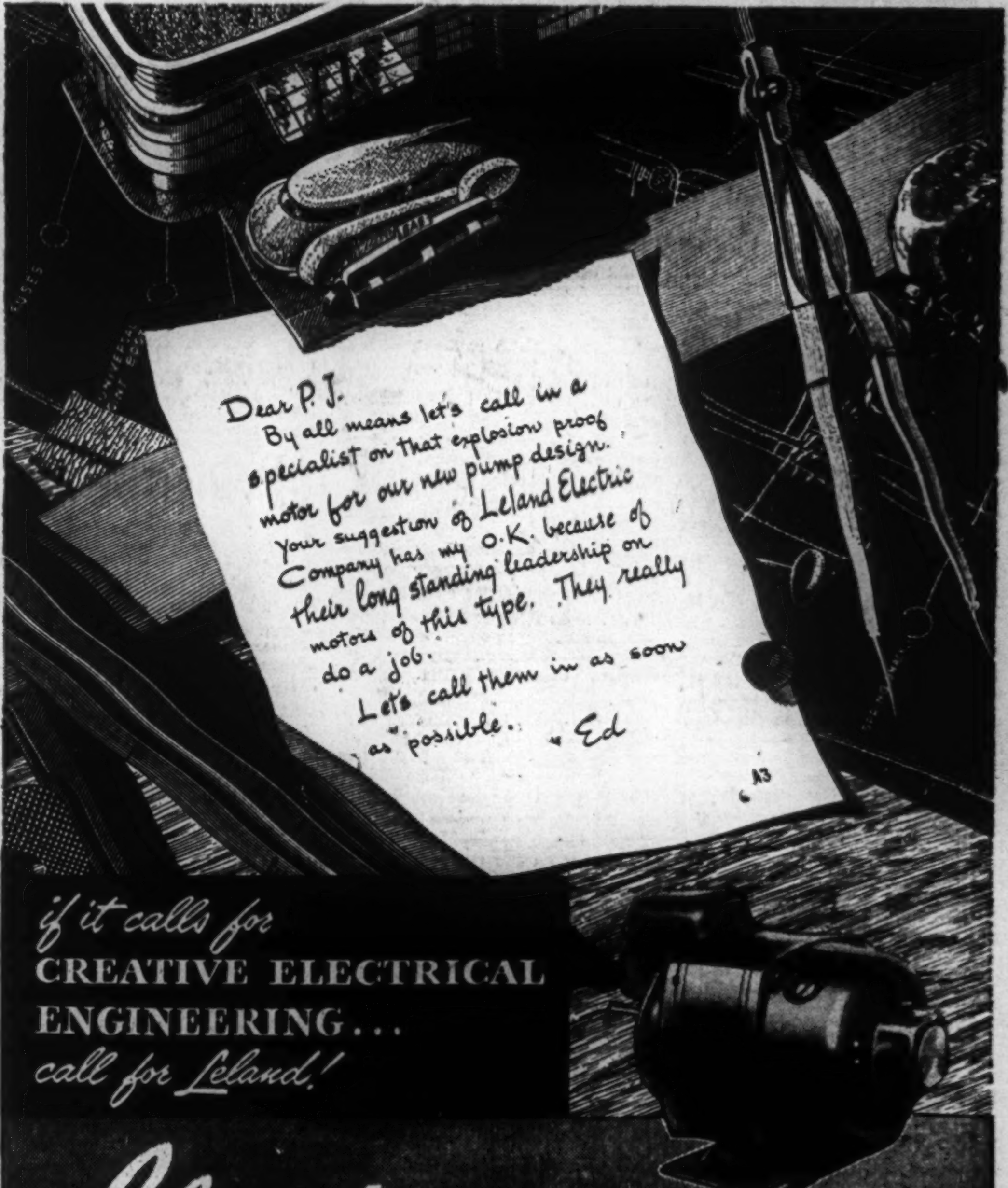
Orchards Ravaged By Summer Hail

July Hail Costly: Okanagan Valley fruit growers counted their loss at over $1,750,000, in the wake of last week's late July hailstorm.

Doukhobors Again?: Police said they suspected Doukhobor activities, in a fire which destroyed the home of a cult member near Shoreacres, in the Kootenay area.

Montreal Trading Up Except in Mine Stocks

MONTREAL (Staff)—Trading in shares other than mining stocks on the Montreal Stock Exchange and Montreal Curb Market during July totalled 1,072,041 shares, against 986,323 in June and 599,393 in July, 1945. Mining share total was lower, 2,136,303 against 2,892,146 and 872,770 respectively. Combined figure for both classifications was 3.2 million shares (3.9 millions in June and 1.5 million in July, 1945).



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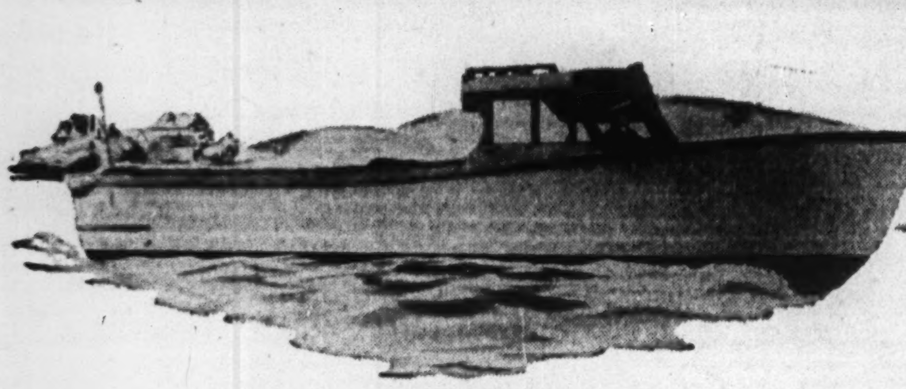

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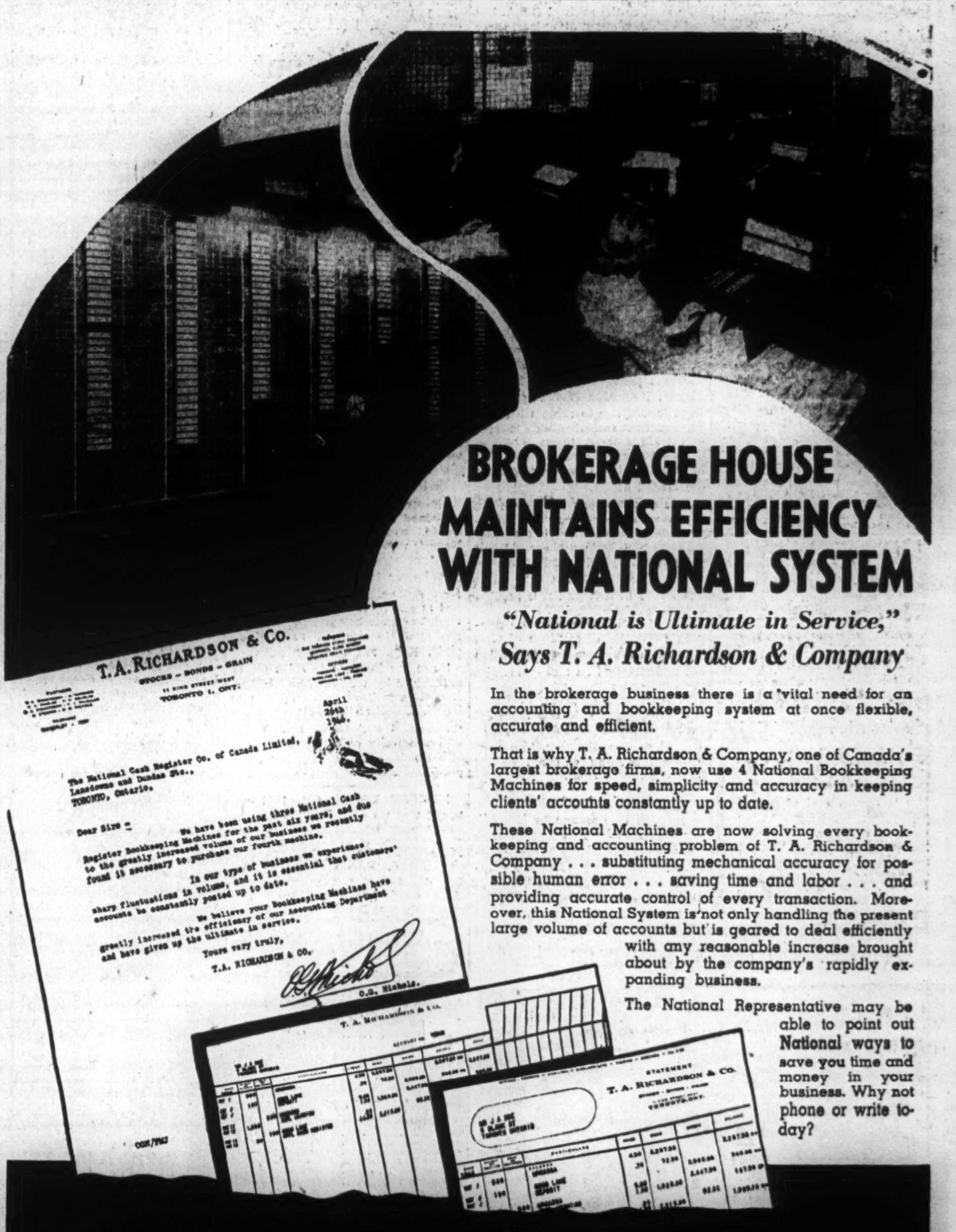

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F. C. Woolley, who has been appointed Manager of the Toronto Office of Thomson & Company stock brokers. Mr. Woolley has been in the securities business for the past twenty years, having been associated with Nesbitt, Thomson & Company, Limited, and J. H. Crang & Co.

British firm desires to license or sell Canadian Patents numbered 385,-275, dated 28th November, 1939 and 387,691, dated March 26th, 1940 on Window Glazing Means, of special interest to metal sash or rubber companies. Ernest E. Carver, 789 W. Pender St., Vancouver, B.C.

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INVESTMENTS THIS WEEK

Newsprint Price Increase Is Still Major Question

Although the OPA and modified price control has been restored in the United States, two big questions in the minds of Canadian newsprint company executives and of investors in their stocks are still unsettled. They are:

1. How will the rollback of most U.S. prices to June 30 levels affect the recent newsprint price increase of $6.80 per ton?

2. What chances are there for a further price boost, assuming the $6.80 per ton price boost sticks?

In view of Canadian mills stressing that the $6.80 a ton price increase was justified in order to counteract the placing of the Canadian dollar on a par with the U.S. dollar, most observers agree that it will be allowed to stand. Up to present time, however, no word has reached Canadian mills on this point.

On the second question of additional price boost, there is sharp differences of opinion. One group feels strongly that OPA will shortly act favorably on the price increase request being considered at the time of its original demise. That request was based on the cost-selling price equation of newsprint producers and emphasized that the industry could not afford to absorb current cost increases without price relief. Labor, pulpwood and freight costs are all higher, it is pointed out.

Supporting the case for higher newsprint prices at this time is said to be the prospect that U.S. production will fall below present levels unless price relief is granted. The U.S. Department of Commerce recently estimated that between 185,-000 and 190,000 tons of domestic newsprint is scheduled to be diverted to output of other classes of paper by the end of this year.

Other observers, however, see little prospects for further price increases before Jan. 1 next. They point to the new price control bill which authorizes industry price increases only if necessary to ensure industry its 1940 unit profit. Since 1946 newsprint company profits are understood to be running well ahead of 1945 profits, these observers question whether mills can justify further price increases. In 1940 the U.S. pulp and paper industry had a 9.6% return of net worth a figure which will likely be exceeded this year, it is argued.

As soon as the revived O.P.A. has had a chance to get organized, some Canadian newsprinters plan to send representatives to Washington to discuss the situation, it is understood.

While no one is prepared to make any prediction, consensus of opinion among both investors and company officials is that another price boost, if granted, would be from $4 to $6¼ a ton. This was the range of the increase discussed in the conversations prior to July 1.

Reflecting this optimism, prices of newsprint securities have again climbed above their level prior to the sharp market break two weeks ago but are still over 6% below their level at the end of June when the old OPA expired.

• • •

Strength In Famous Players Said Due to Dividend Hopes

Recent heavy buying in Famous Players Canadian Corp. common stock is said due to rumors that the present 60c. annual dividend rate will be increased to $1 a share, financial circles say. Considerable buying is said to be coming from the United States.

As a result of this interest in the past month the common has touched as high as $22½ and is currently selling about $21½ a share. At this price it only yields about 2.78% on a 60c. dividend but would yield 4.65% on a $1 dividend it is pointed out.

In support of the rumor, the company's estimate of earnings of $1.37 a common share for 1946 is pointed out as indicating its ability to raise the dividend rate.

In reply to a question, President J. J. Fitzgibbons tells The Financial Post that any dividend action will depend on the directors. The next directors meeting will not be till near the end of August.

• • •

Ashdown Hardware to Benefit By Corporate Tax Reduction

One company which is seen benefitting substantially from the corporate tax reduction in 1946 and in 1947 is the J. H. Ashdown Hardware Co.—whose shares were just offered for public subscription in Jan., 1946.

In 1945 the company earned $1.85 excluding, or $3.29 including refundable EPT a share on its Class A shares and 84c. excluding $1.80 including refundable EPT on its Class B shares. On the basis of 1945 results earnings are estimated at $4.72 a Class A share and $2.75 a Class B share in 1946 and $5.60 a Class A share and $3.33 a Class B share in 1947. This estimate assumes no change in present capitalization.

However, Ashdown 60c. preferred Class A shares are convertible on a share for share basis into Class B prior to Jan. 1, 1951. Assuming all the Class A were converted, estimated earnings would show $1.89 in 1946 and $2.24 in 1947 on each Class B share, which would be the only shares outstanding.

No report of any Class A shares being converted has been received. The estimate of earnings in the B shares would, of course, range somewhere between the two above estimates if any part of the A shares were converted. (For 1947 estimate a 5% Provincial income tax is assumed).

• • •

Say Gypsum Lime Common Might Earn $1.50 in 1946

Gypsum, Lime & Alabastine, Canada, common stock warrants consideration at present levels of $17 per share, according to Hugh Mackay & Co., members of the Montreal Stock Exchange. In a study recently prepared by this house the conclusion is reached that the stock might earn $1.50 a share in 1946.

The Mackay study is bullish on the outlook for the earning power of Gypsum Lime because of:

1. Unprecedented demand for building products — a very important part of the company's products.
2. Rapid growth of Canadian industry and the increasing demand for lime especially by the pulp and paper industry.
3. Possible price increases for the products.
4. Revision of income taxes would be of benefit to the company as it has been subject to heavy taxation.

The Mackay review was prepared before the Ilsley budget was brought down. What the new corporate tax rates would mean to Gypsum's earnings per share common in 1947, if operating profits are maintained at the 1945 rate, is a matter of a $0.25 per share earnings boost or per share earnings increase from $0.57 (including refundable EPT) in 1945 to $0.82 in 1942.

Stelco Output Near Capacity For Half Year

Operations of Steel Co. of Canada for the six months ended June 30, 1946, continued at full capacity. Tonnage of ingots produced, plus purchased steel, showed but little decline from the corresponding period of 1945. Sales value was slightly under the record of the previous year, President H. G. Hilton states.

Construction of the new battery og coke ovens has begun and contracts have been let in connection with installation of continuous cold reducing mills and ancillary equipment which will take at least a year to complete, the president says. This will give the company a complete range of cold rolled sheets and strip to offer, as well as tin plate.

Under the present strike conditions over 2,000 employees have remained at work and are housed, bedded and fed at the company's Hamilton Works. During the first week of strike the company produced over 12,000 tons of steel ingots. Production at the coke ovens and at one blast furnace was maintained, and blooming and billet mills continued to operate, as well as plate, strip, rod and bar mills.

Since the increase in sales prices authorized by WPTB, effective Apr. 1, coal costs have advanced due to the U. S. coal strike. This fact combined with any advance in wages will materially offset the net result of the price changes permitted, the president states.

MERSEY PAPER CO. 1945 net profit was up 47%. Further adjustments may be required in excess profits taxes when standard profits of Markland Shipping Co. have been determined. During the year the company's first and general mortgage bonds were redeemed and short term serial bonds issued on terms considered favorable.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$1,375,062	$1,233,812
Less: Depreciation	487,175	482,708
Int., bds. & loans	138,336	216,735
Inc. tax prov.	296,361	207,360
Bond disc. w/o	......	10,826
Net prof. & surplus	451,190	306,185
After depletion.		
Times All Interest Earned:		
Before depr.	9.94	5.69
After depr.	6.42	3.42
Earnings per Share and Dividend Record:		
Pref.: Earned	$9.02	$6.12
Com.: Earned	1.17	0.21
None paid on either stock.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$223,699	$926,348
Accts. rec.	843,901	1,142,502
Inventories	2,022,721	1,782,125
Total curr. assets	3,090,321	3,850,975
Misc. assets	335,101	625,640
Investments	107,978	1,274,935
Fixed assets	14,362,027	14,401,512
Total assets	17,895,427	20,153,063
Total curr. liabs.	771,092	959,793
Funded debt	2,000,000	4,808,500
Depreciation res.	7,330,183	6,917,738
Capital stock	5,749,988	5,749,988
Capital surplus	281,624	281,624
Earned surplus	1,762,340	1,435,419
Working capital	2,319,229	2,891,182

BARBARY GOLD MINES is planning surface trenching and diamond drilling on its property in Tyrrell twp., Shining Tree area, Ont. Company also holds 1,000 acres in Cuvier twp., Chibougamau area, Que.

LONDON LIFE APPOINTMENTS

ALBERT W. ANDERSON, Assistant Secretary — WRAY M. BELL, Associate Underwriting Executive — THOMAS E. GILL, Associate Actuary

Announcement has been made of the promotion of three members of the London Life Insurance Company, all of whom are Fellows of The Actuarial Society of America. Albert W. Anderson becomes Assistant Secretary; Wray M. Bell, Associate Underwriting Executive and Thomas E. Gill, Associate Actuary.

J. S. SHAKESPEARE has been appointed general manager of the Ottawa Valley Trust Co.

'Pre-Natal' Estate Care Ottawa Valley Trust Aim

MONTREAL (Staff)—Trust company officials this week will probably look up from their problems of income tax and succession duties long enough to take note of a newcomer in their midst—Ottawa Valley Trust Co.—and shake a sympathetic head. While the job of trust companies today, in estate and investment management, is just about as difficult as it has ever been, Ottowa Valley is now offering its services as a public trust company. Incorporated last December, the company has been in process of organization up to now. Head office will be in Ottawa—source of many trust company tax headaches.

Heading the company is G. Gordon Gale, president of Gatineau Power Co. and of E. B. Eddy Co. Vice-presidents are J. Gordon Fleck, managing-director of Booth Lumber Co., and C. M. Edwards, a director of the Ottawa firm of W. C. Edwards & Co. H. B. J. Richardson is secretary.

Active head of Ottawa Valley is J. S. Shakespeare, general manager, well known in trust company circles through his association with Montreal Trust Co. Although graduated from the University of British Columbia as a lawyer, Mr. Shakespeare entered the trust company business early in his career. Starting with the Toronto General Trust in Vancouver, after six years of law practice, he later moved over to Montreal Trust. Two years later he became its British Columbia manager and in 1943 came to Montreal as superintendent of branches.

Young (42) Mr. Shakespeare says that Ottawa Valley will concentrate on giving estates what he calls "pre-natal care"—getting them in proper shape to ease the burden on the trustee and beneficiary. Investments handled by the company will be on agency account. In addition, Shakespeare says the company is being organized to handle pension funds for employees of corporations and other organizations. From its temporary headquarters at 140 Wellington St. in Ottawa the company expects to serve clients in Pembroke, Perth, Smiths Falls, Prescott, Cornwall, Kingston and Belleville.

Authorized capital of Ottawa Valley is $1 million divided into 10,000 shares of $100 par value. Of this total, 2,500 shares were fully subscribed and allotted at the offering price of $105 per share before the organization was completed. The balance of 7,500 shares is being publicly offered at $105 per share.

Directors of the company are: Gordon C. Edwards, David A. Gillies, Duncan K. MacTavish, H. S. Southam, E. R. Bremner, G. Scott Murray, G. W. Mitchell, D. Hamilton Findlay, Hon. Cairine Wilson, Willard R. Beatty, Norman F. Wilson, D. P. Cruikshank, W. M. Southam, B. B. Osler.

To Defer Arrears Adjustment On Federal Grain Preferred

Plans for adjustment of the preffered dividend arrears of Federal Grain Ltd. should be left in abeyance, in the opinion of directors, until full effect of recent changes in the budget in respect to patronage dividends and taxation provisions competitive conditions at country elevators, can be known, President H. E. Sellers states in a letter to shareholders. "Your directors hope that most of these problems will be presented for approval," he adds.

In connection with arrears Mr. Sellers says directors felt it desirable in the interest of shareholders that the liquid position be improved, and that a very definite improvement has taken place. "During the year, company has refunded its outstanding bonds at a considerably lower interest rate, which, together with the improvement in working capital, will result in a substantial saving in interest charges," he states.

Due to the improved financial position, the directors have decided that arrears should not be allowed to increase if it can be avoided; and have declared dividends totalling $6.50 a share during the current fiscal year. "I hope this dividend policy can bo continued pending adjustment of arrears," Mr. Sellers writes. (A payment on arrears of preference dividends of $2.50 a share is declared for Aug. 31, 1946. After this payment, arrears will amount to $72.62½ a share.)

UFA Predicts Millions Lost In Wheat Sales

From Our Own Correspondent

EDMONTON—United Farmers of Alberta see an annual loss of $18 millions to Canadian farmers if the policy of selling wheat for domestic consumption at $1.25 a bushel continues.

"At present," says a statement issued by the UFA executive, "the Canadian miller pays $1.25 a bushel and gets a drawback from the Government of 47½ cents which is paid out of taxes. This means that the wheat which goes into flour for Canadian consumption costs less than 80 cents.

"If the Government believes that this is the maximum which can be paid without jeopardizing price controls, then the entire difference between the net price to the miller and the contract price to Britain should be paid out of taxes and not partly out of taxes, which the farmers help to pay, and partly (30 cents a bushel) by the farmers alone."

Although regarded as a step in the right direction, recent changes in Canada's wheat policy still do not meet the needs of Alberta farmers, Carl Stimpfle, president of the Alberta Farmers' Union, said here. His organization will continue to press for a guaranteed price of $1.55 a bushel for a five-year period.

'Ration' Cement As Supply Drop

MONTREAL (Staff)—Contractors and builders are probably taking small consolation from the recent Dominion Bureau of Statistics report that cement shipments in May rose 50% over the previous month. Since then the coal strike has intervened to reduce cement output to the point where some dealers, at least, are now on a quota basis. Canada Cement, one of the largest producers, tells The Financial Post that its dealers were put on a quota starting July 1, based on purchases during the corresponding period last year. A spokesman also stated that the company at present has dropped out of the export market.

Actual cement production in May, according to DBS, was 857,190 barrels against 849,934 for April. Total daily rated capacity of the eight cement producing plants in Canada is estimated at about 40,000 barrels. With an average of 850,000 barrels a month production this year would be over 10 million barrels or about third highest since 1929.

While no figures are yet available later than May it is unlikely that this rate has been maintained due chiefly to the coal shortage. During May the industry shipped 1,532,854 barrels compared to 1,002,065 in April. At the same time stocks at plants and in warehouses dropped from 2,111,016 to 1,432,230 barrels, according to DBS.

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Orange Crush Ltd. Buys U. S. Firm

Reversing the usual procedure of U.S. interests buying out Canadians, Orange Crush Ltd., Toronto, Ont., has arranged for purchase of control of Orange Crush Co., Inc., Chicago, Ill., The Financial Post understands. At present the company, by agreement with the U.S. company, has the exclusive rights for its syrups and concentrates for Canada and Newfoundland.

Although there is nothing official, financing of the purchase is thought likely to be through sale of common stock to shareholders. At a special meeting on June 27., authorized common capital was increased by 150,000 shares to 250,000 shares. At that time, E. P. Taylor, chairman of the board, stated that a part of the additional shares would be issued to finance expansion and that it was intended, as far as practicable to offer the stock to shareholders on a pro rata basis. Orange Crush Ltd. has 54,828 common shares issued, which are selling about $23 a share.

Orange Crush Co., Inc., Ill., has been privately owned.

Ottawa Buys Pool Building

From Our Own Correspondent

WINNIPEG—Purchase by the Dominion Government of the Wheat Pool Building here puts under one roof the 650-odd employees of the Canadian Wheat Board.

The big staff required during the war years has so far been housed in five office buildings, each of which had a lot of valuable records. Anxiety that some of them might be lost in case of fire led to the present move, now that the board's continuance is assured for at least another four years.

The Wheat Pool Building was built in 1928 by a Toronto syndicate from whom it had been leased. It is eight stories of fireproof construction. Purchase price was $400,000.

During the war the board had a staff of about 650. At intervals it increased to 700 and now it is 654. The three wheat pools, Manitoba, Saskatchewan and Alberta, have a staff of 224 in Winnipeg. The former Merchants Bank Building, built in 1922, has been bought for them at $200,000.

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S/S "FORT ISLAND"
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Stock Split For Walkers

Shareholders of Hiram Walker-Gooderham & Worts Ltd. will be asked to vote on a proposal to split the common shares on a four-for-one basis at a special meeting on Sept. 20, President Howard R. Walton has announced.

If the sub-division is approved, directors intend to increase the rate of common dividends by declaring an initial dividend of 30c. on the new shares, payable Dec. 15, 1946, it is stated. This would be equivalent to an annual rate of $4.80 on the existing shares. Present dividend rate on the common shares is $4 a year.

After giving effect to the split, the company will have outstanding 2,896,016 shares of an authorized total of 3,500,000 shares.

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CITY OF SYDNEY, N.S. new issue of $140,000 2½% 13-year serial bonds, to be dated Aug. 15, 1946, has been sold at 98.93 to the Royal Bank of Canada. City officials say this is the best offer ever received for a Sydney bond issue. Proceeds are for financing a $92,000 sewer and water improvement program, with balance going to public school extensions.

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TO THE HOLDERS OF THE
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The Mexican Northern Power Company, Limited

Pursuant to an order of the Supreme Court of Ontario, Canada dated the 29th of May, 1920 approving a Plan and Agreement for the Protection of the Bondholders of the above Company, a new company was organized for the acquisition of all the property and assets of said The Mexican Northern Power Company, Limited, for the benefit of the prior lien and first mortgage bondholders.

The new company was organized in Ontario, Canada, under the name of The Northern Mexico Power and Development Company, Ltd. and has proceeded, in accordance with the provisions of the aforesaid Court order, to issue one share of its $100 Par Value Common stock in exchange for each $100 principal amount of 5% First Mortgage 30 Year Gold Bonds of The Mexican Northern Power Company, Limited.

The following described 5% First Mortgage 30 Year Gold Bonds of The Mexican Northern Power Company, Ltd. are still outstanding and the holders thereof are urged to surrender such bonds for exchange.

Coupon Bonds of $1,000. Each

10436	11740	12467	13032	14868	14947
10748	11889	12469	13033	14783	14948
11044	11890	13029	13632	14944	15000
11717	11891	13030	13740	14945	
11718	12384	13031	14667	14946	

Coupon Bonds of $500. Each

920	1822	2326	4448	5710	7148	7904
921	2136	2495	4466	5764	7169	7960
922	2137	2496	4914	5765	7170	7961
1224	2171	2497	4915	5766	7171	7962
1225	2179	2498	4924	5767	7172	8008
1226	2180	2846	4980	5768	7355	8009
1227	2192	2847	4981	5769	7421	8637
1228	2245	3303	5033	5770	7481	
1562	2300	3304	5334	5771	7482	
1820	2309	4160	5336	5817	7483	
1821	2310	4447	5352	5834	7484	

Coupon Bonds of $100. Each

244	398	660	1291	1297	1636	1983
245	399	1248	1292	1413	1841	1984
294	400	1249	1293	1414	1842	1985
295	401	1288	1294	1415	1843	
296	402	1289	1295	1416	1844	
297	403	1290	1296	1417	1982	

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CITY OF WINDSOR, ONT. $6.5 millions refunding issue of 2% and 2½% serial debentures is being offered at par by Angus & Co., Toronto. Issue consists of $3 million 2's due June 30, 1947-50 ($750,000 a year) and $3.5 millions 2½'s due June 30, 1951-55 and 1956 ($600,000 a year for first five years and $500,000 in 1956). Proceeds are for redemption of all the Windsor 4% debentures now outstanding and of $2,811,004.23, 3½% debentures due 1947 to 1955—a total of $6,504,283.66.

SILVERWOOD DAIRIES, LTD., 160,000 class "A" shares were offered at $13.25 a share to yield about 4.53% by Harrison & Co. As the shares were purchased from President A. E. Silverwood, none of the proceeds will go to the company's treasury.

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Canada, United Kingdom End Double Death Duties

Agreement to Give Credit For Taxes Paid in Other Country approved by Commons—Resembles Pact With U. S.

The House of Commons on Monday approved an agreement between Canada and the United Kingdom to end double succession duties on the same assets. After passing the Senate and being ratified by the British parliament, it will become law for a three-year period and continue in force until terminated by either country after six months notice.

The new agreement follows closely a similar one between Canada and the United States a little over a year ago. Main feature is the provision that where one country, say Canada, levies duty on an estate owned by a Canadian resident, but including assets located in Britain, it must give the estate credit for any succession duties paid the United Kingdom on those British assets. The credit is restricted to the amount which would be levied on the same assets in Canada.

It also provides that a country claiming succession duties on assets owned by a nonresident may only tax assets within its own boundaries.

The agreement lists 14 types of property and states where they are considered to be located for succession duty purposes. Thus, real estate situated in either country is considered property there and taxable only in that country, no matter where the owner lives. Shares or debentures issued by a company are considered located in the country where the company was organized and taxable there. If the owner is a nonresident they may be taxable in the country where he makes his domicile also, especially if the share certificates are in that other country. In either case the country where the owner is domiciled will now have to give credit for any taxes collected by the other country where the property is located.

Britain and the United States are the only jurisdictions with which Canada has a reciprocal agreement on succession duties. But the British agreement does not include any arrangement between the United Kingdom and any of the Canadian provinces nor does that with the United States include any arrangement between the Dominion and any of the individual American states.

Under recent Ontario legislation, that province will give a credit against its own succession duties for any duty paid by its own residents to any other jurisdiction among the Canadian provinces, the American states, the United Kingdom and any of the British Dominions. This is not a reciprocal arrangement but merely a concession by Ontario on Ontario estates held by Ontario residents.

Northwestern Utilities Plans $2.3 Millions Expansion in '46

Capital expenditures of $2,343,768 will be made in 1946 by Northwestern Utilities Ltd., Edmonton, Alta., President H. R. Milner estimates in a prospectus covering a new issue of preference shares. An additional $2.1 millions will be spent on capital account in the next three years, it is anticipated.

This year, the company is constructing a 6-inch and an 8-inch steel pipe line to transmit natural gas from a point near the Village of Holden on its main transmission line, a distance of 106 miles, to serve the cities of Wetaskiwin and Red Deer and the towns of Camrose, Ponoka and Lacombe. The distribution system for these communities will also be built and owned by the company. Further development will be made in the Viking-Kinsella gas field, and 12.79 miles of a third main transmission line from this field to Edmonton will be constructed, as well as extensions and improvements to be made in Edmonton.

The new issue consists of 30,000 4% cumulative preferred shares, par $100, offered at $100 a share to yield 4% by Nesbitt, Thomson & Co. Proceeds will be used in part for redemption of outstanding 6% cumulative preferred shares, par $100, at 105% and accrued dividends (requiring $2.1 millions) with the balance being used for expansion and for other corporate purposes.

Net income of the company after bond interest, depreciation, and income taxes amounts to $385,868 for the five months ended May 31, 1946, the prospectus states. This compares with net income of $504,482 for the year 1945 and $381,486 for 1944.

Following negotiations between the company and the City of Edmonton, the Board of Public Utility Commissioners of Alberta established new and substantially lower rates effective July 1, 1946.

"Had this reduction been in effect for the fiscal year 1945, and assuming that the taxes on income and profits were the same as those which prevailed during the later years of the war, the amount available for surplus and for payment of preferred dividends would have been $389,684 or $12.99 for each of the 4% cumulative preference stock," Mr. Milner states.

Canada Bread At Lakehead

By the end of August, Canada Bread Co. expects to be manufacturing for the twin cities of Fort William and Port Arthur, General Manager A. V. Loftus told shareholders at the annual meeting. A new factory is being built there and equipped with up-to-date machinery. In addition new depots are being built in Belleville and St. Catharines, owing to the greatly increased business in these areas.

In all principal plants a system of fermentation control has been installed by the company's engineering department, "which has proved of marked value in the manufacturing of still better bread." Mr. Loftus stated.

Regarding supplies, Mr. Loftus said that contrary to expectation it was more difficult to procure ingredients in the past year than in any of the war years.

Rationing of flour since Apr. 1, 1946, has added to bakery difficulties. Although the cut was to 90% of the flour received in the previous year, it meant at least a 25% cut to Canada Bread because sales had increased 15% in the past year, Mr. Loftus stated.

"We had a fairly good inventory at the time rationing took place and for this reason have been able to keep our customers supplied," he continued. "This inventory is getting less each month and rationing, as far as we know, will be in effect until the end of October. We hope that with the increased Canadian crop of wheat the Government will lift this order by that date if not before.

"Products are still being sold at pre-war prices and our increased volume has been the means of enabling us to keep prices at this level," Mr. Loftus said. "This has been done in the face of enormous increases in price of many products we use. In the last six months especially, there has been a marked increase in price of many ingredients. In addition to these increases, the cost of labor is considerably higher than it has been in previous years. Our maintenance accounts are also increasingly high. To enable us to turn out our volume, many of our factories are on three 8-hour shifts daily."

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Government, Municipal and Corporation Securities

Empire Brass Mfg. Control Changed, Offering Expected

Public financing for another old-established, privately-owned company is seen in the wind with the acquisition of the Empire Brass Manufacturing Co., London, Ont., by London and Toronto financial interests following negotiations with the former owners. A public offering of stocks is expected about September, The Financial Post learns.

Purchase price is reported about $2.2 millions and is understood to include all the outstanding common shares. The plant will continue operation under its present management, The Post understands.

Ownership of Empire Brass is believed to have been held mainly by the Stevens family, London, Ont. Directors included, Charles F. Stevens, president; Charles H. Ivey, vice-president; John H. Stevens, secretary; Stewart N. Stevens, production manager; S. C. Cossar, treasurer and O. L. Robb, Toronto branch manager.

Empire Brass Manufacturing Co. has its head office and factory at London, Ont., branch offices in Vancouver, Winnipeg, Toronto, Hamilton and Sudbury, and foreign representatives in South Africa and Australia. It makes bronze valves, cocks, castings, plumbing and heating supplies.

Can. Inv. Fund Buys Brazilian In 2nd Quarter

Many changes in the common stock holdings of Canadian Investment Fund Ltd. in the second quarter of 1946 are reported by President Hugh Bullock in a letter to shareholders accompanying the 54th consecutive quarterly cash dividend.

A principal change was the reduction in holding of the common stock of five U. S. companies and the elimination of two others. In the first half of 1946, holdings of U. S. securities were reduced by more than $1.2 millions, and now are 22.4% of total net assets as compared with 34.8% at Jan. 1, 1946.

"This action served to minimize the adverse effect upon per share net assets value arising from the elimination of the premium of U. S. funds announced by the Government on July 5," Mr. Bullock states. "Although the announcement came as a complete surprise at that time, fundamental conditions had long been pointing to it as an ultimate possibility."

Confidence is also indicated in the position of Brazilian Traction Light & Power Co. by the addition of 10,000 of its shares to the portfolio. This would represent an investment of over $200,000. Changes in common stock holdings are as follows:

COMMON STOCK CHANGES
(Apr. 1 to June 30, 1946)

	No. of Shs. Held 30/6/46	31/3/46
Purchases:		
Bell Telephone Co. of Can.	1,400	1,320
Building Products	6,000	5,900
Dom. Oilcloth & Lin.	4,000	2,000
McIntyre Porc. Mines	6,000	5,000
National Breweries	9,000	8,675
Noranda Mines	8,000	7,000
Powell River Co.	5,000	2,000
Brazilian Traction	10,000	....
Dom. Tar & Chem. Vt. Tr.	1,000	....
Montreal Locomotive	2,750	....
International Paper	*5,000	....
Sales:		
Aluminium Ltd.	2,000	2,070
Crown Zellerback Corp.	10,000	15,000
Famous Players Can. Corp.	5,000	5,075
General Electric	7,000	8,000
Loew's Inc.	16,000	20,000
Molson's Brewery	3,000	4,000
Montgomery Ward	4,000	5,000
Union Carbide & Carbon	1,000	2,000
George Weston	4,500	4,600
Sherwin-Williams (U.S.)	....	1,000
Inter. Harvester	....	2,000

*2,500 shares purchased and 2,500 shares received in exchange for 1,000 convertible preferred shares previously held.

In addition, during the quarter holdings of government bonds were reduced by $50,000 par value and 5,000 common shares of Dominion Glass Co. were received in exchange for 1,000 old common shares.

Net profit on sale of investments in the first six months was $897,643. Net assets, with securities valued at market quotations, amounted to $13,536,014 at June 30, 1946—the highest total on any semiannual balance sheet date since the company's organization, Mr. Bullock points out. Market value of investments was $4,015,264 greater than their average cost.

The first three quarterly dividends in 1946 total 15c. a share—15% above the 13 cents dividends for the corresponding period of 1945.

Portfolio changes were effected on different dates and at varying places and should be considered in relation to the portfolio as a whole and not as necessarily indicating a favorable or adverse current opinion with respect to the investment character of the securities individually, the president states.

MARLON-ROUYN GOLD MINES says shaft sinking is getting under way to objective of 500 ft. vertical. Shaft has been collared and headframe erected.

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Percivals New Merganser Aimed for Can. Market

Production of a new airplane—the Percival Merganser — designed for passenger, freight and aerial survey work is in progress with the first plane expected to be in Canada by next February, A. N. Young, manager of the Canadian subsidiary of Percival Aircraft, Bedfordshire, England, tells The Financial Post.

MR. BROWN

In Canada, the company is completing the organization of its Canadian subsidiary, Percival Aircraft (Canada), although its charter has not yet been obtained. The decision to establish here resulted from a survey of the Canadian market made a year ago by John Carroll, then acting manager for Canada.

Mr. Carroll recently returned to England and M. G. Brown has been appointed general manager of the Canadian company with A. N. Young as manager. Mr. Brown, a native of Montreal, was in the RCAF during the war and with Dennison Manufacturing Co., Toronto, prior to the war. Mr. Young just arrived from England about five weeks ago, having been with the manufacturing branch of the parent company during the war and with an independent oil company in the United States prior to September, 1939.

While at present the new Canadian subsidiary is sounding out the Canadian market and will act as a sales and service agency, eventually it is hoped to build the Merganser in Canada.

The Percival Merganser will be an all-metal, high-wing, twin-engined monoplane. It is designed both to give passenger comfort and to provide a wide range of alternative cabin arrangements, according to the number of passengers or quantity of freight to be carried and the distance to be covered. To cost about $40,000 to $45,000 it has been designed for feeder lines, charter and taxi services, and for "executive" or private use. The high-wing structure makes it particularly suitable for aerial photography.

Present plans call for three versions—five, six and eight passenger. Powered by two de Havilland Gypsy Queen 51 engines, the Merganser will have a cruising speed of 163 m.p.h. at 5,000 ft. with a range of 830 miles (depending on load). Take-off can be continued and height maintained, up to 9,000 ft., if one engine fails. It will take floats or skis as well as wheels. The prototype is expected to be flying in England before the end of September with the first in Canada hoped for by February, 1947.

Percival Aircraft Ltd., the parent company, is a subsidiary of Hunting English management company, which co-ordinates aircraft designing, manufacturing, servicing and air charter and taxi service. Another subsidiary is Field Consolidated Ltd., a servicing, maintenance and engineering firm. Percival Aircraft is well known as producer of the Percival Proctor and is also now making a new RAF training plane—the Prentice.

Temporarily Percival's Canadian offices are located at de Havilland airport in Toronto.

MLHP Holders Facing $400,000 Loss in Revenue

MONTREAL (Staff)—Montreal Light, Heat & Power Co. shareholders learned last week that they will receive an earnings bodyblow of perhaps $400,000 annually resulting from the announcement by Beauharnois Light, Heat & Power Co. of its decision to redeem its $18 millions of first mortgage 4½% 25-year bonds due Jan. 1, 1963. This issue is held entirely by Montreal Light, Heat & Power Cons. Redemption price will be 103 and accrued interest and funds for this purpose will be realized in part from current cash and in part from the proceeds of a privately negotiated banking accommodation, it is understood.

Since the funds received by M. L. H. & P. may have to be reinvested in short-term government bonds, M. L. H. & P. revenue from this source will probably be cut at least in half, from $810,000 annually to about $400,000.

Plans More Expansion Dow Chemical of Can.

Dow Chemical of Canada Ltd., Sarnia, Ont., will be producing styrene for the Canadian market within a few months, the annual report of the parent company Dow Chemical Co. reveals. Additional plants are under way to produce glycol and allied products and other expansion is contemplated for the near future.

Dow Chemical of Canada Ltd., a wholly owned subsidiary of Dow Chemical Co., Midland, Mich., was originally organized as an operating company for the Canadian Government's styrene plant designed by Dow and operated by Dow of Canada for the Canadian Government. It will now act as the Dow representative for all operations and sales in Canada, it is stated.

WILLIAM HARRISON of Montreal, one of the founders of Ayerst, McKenna & Harrison Ltd., has been elected a director of American Home Products Corp., New York.

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New Issue

30,000 Shares

Northwestern Utilities, Limited

(Incorporated under the laws of the Dominion of Canada)

4% CUMULATIVE PREFERENCE SHARES

(Par value $100 each)

The above shares when issued will be fully paid and non-assessable, and the rights, preferences and conditions attaching thereto are more fully set out in the Statutory Information forming a part of the Prospectus. Dividends on these Preference Shares accrue from 1st August, 1946, and are payable on the first days of February, May, August and November.

Transfer Agents and Registrars: Montreal Trust Company, Montreal and Toronto. Toronto General Trusts Corporation, Calgary.

In the opinion of Counsel, these shares will be a legal investment for funds of Insurance Companies registered under the Canadian and British Insurance Companies Act, 1932.

We offer, as principals, these Preference Shares subject to the approval of Messrs. Milner, Steer, Dyde, Poirier, Martland & Bowker, Edmonton, Alberta, on behalf of the Company and of E. R. Parkins, K.C., on our behalf, if, as and when issued and accepted by us, and subject to prior sale and allotment.

PRICE: $100.00 per Share flat to yield 4%

Interim of definitive share certificates will be available for delivery on or about August 15, 1946.

A Prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, as amended, will be promptly furnished upon request.

Nesbitt, Thomson & Company Limited **Tanner & Co., Limited**

Cutting Our Own Throats

Since the first of June Canadian workers have lost over $7 millions in wages as a direct result of strikes. Large as this is, it is still only a small part of the total cost. In addition there have been many more millions lost as a result of work stoppages and slowdowns due to material shortages caused by strikes. But we are still only on the fringe.

The biggest and most permanent loss is in cancelled orders both domestic and foreign. Scores of thousands of Canadian consumers who had been planning to buy a new car, refrigerator, radio and other substantial purchases have given up or postponed the idea. Some have decided to spend the money on something more readily available. Some have had to use it for ordinary living expenses because wage earners have been laid off. Some have come to the conclusion that wage increases have boosted prices too high and it would be better to wait.

Whatever the reason, those who earn their living making cars, refrigerators, radios and similar durable goods have lost a market and many, many days' pay.

And, unfortunately, the loss is not confined to the home market. It is still more serious in the export field, because here the potential buyer has not only cancelled orders, but has often switched his buying permanently from Canada to one of our competitors. Some idea of that huge loss was outlined last week by George J. McIlraith, parliamentary assistant to Reconstruction Minister Howe. Manufacturers of railway rolling stocks, ships and other heavy industry goods, he said, have had overseas contracts cancelled which would have kept their plants in full production for years. They never had orders of that kind before the war, reported Mr. McIlraith, and now in the light of cancelled contracts, "I fear that we will never have a chance for that business again."

Strikes, particularly in the steel industries, prevented production for export and forced contract cancellations through nondelivery. This business which was offered Canada has now been distributed among American and British manufacturers and future orders will probably be placed in the same countries.

This sort of thing is tragic and idiotic. It is literally strangling the goose which lays the golden egg.

Canada, with its factories intact and greatly expanded during the war, with new processes learned or imported during the same period, had an opportunity that may never come again for winning tremendous prosperity. With Germany, Japan and other major pre-war world exporters temporarily out of the picture, we could have sold everything we could have produced in the last twelve months.

Central and South America, Africa, Australia, New Zealand and other goods-hungry areas were clamoring for imports. Even the United States would have been glad to place orders for many lines of new goods we could have turned out. We could have got in the ground floor and, once established, could have built up great, new and permanent outlets with new jobs for scores of thousands of Canadian workers.

There still remains an opportunity if we get busy and produce, but every week that Canadian industry remains crippled, the cream is being skimmed off. By the time our labor leaders and others responsible for this costly tieup realize that it is only through greater production that we can achieve real prosperity, it may be too late.

Is CCF Learning?

We were interested in the following from an article in the current Canadian Forum, the monthly organ of the CCF:

"One word of caution is in order here. The disruption caused or nearly caused by the huge American strikes of recent months should remind us of the force that can be unleashed by organized labor. When you have suspended the works of a nation, either you arouse public and official wrath and at best retire looking embarrassed, leaving labor in a worse position than before, or you go forward with mass support and establish a revolutionary government. The latter alernative is ludicrously far from North American realities in 1946.

"If it were possible it would only be desirable as a last resort against stark tyranny. The other alternative is more probable and most unpleasant when it ends in something like Mr. Truman's celebrated 'lost week end.' And from the look in Humphrey Mitchell's eye at the moment, it would be unwise to give that statesman an excuse to act like a president. We are merely suggesting that a basic industry should not be entirely tied up throughout the country unless there is no other course open. It would be better to deal with each plant separately, if possible."

The above is interesting for its indication that in Canadian Forum circles there is now some awareness that public tolerance with the excesses of some labor leaders has been rapidly running out. Over the past decade the stock of organized labor has been rising steadily. It had reached a high place. It is regretable for its membership that so much of that gain has now been lost.

And here's another bit from the same Canadian Forum article:

"It is a common fallacy in the CCF that only a depression will win an election for socialists. Actually a depression is precisely what might stop the CCF. The last one elected Mr. Bennett and when he started making noises like a New Dealer, it elected Mr. King, apparently to avert the danger of reform. The war years, the most prosperous in our history, saw the rise of the CCF and of the unions and even stirred the King Government to a practical interest in social legislation.

"Hunger and fear make people apathetic and over-cautious, not revolutionary. Unless the next depression is powerful enough to dissolve the capitalist system altogether (in which case the substitute will be anarchy or tyranny) it will simply confirm the present bosses in their upholstered office chairs. Socialists need never, therefore, develop the ghoulish state of mind that welcomes poverty and unemployment as vote-getters and educational influences. The unions must be supported wholeheartedly in their effort to obtain for the worker something closer to a fair share of what he produces. And at the same time, every effort must be made to show the worker that his ultimate victory will not be attained under capitalism."

What our CCFers should, but do not, add to these pronunciamentos is something like this: "And look what happened to labor unions, to labor union members and their standard of living when totalitarian government got going in Russia and in Germany. Elect us and such blessings we shall also bestow."

Excellent Motoring West

A lot of eastern Canadians seem to think there is only one way to make a western motor trip and that is through the United States. Many apparently don't realize that there are roads in the Dominion and that, except for one or two short stretches they are in excellent condition. It is to be hoped that more of them will refuse to listen to this nonsense about no roads in Canada and will follow the example of Hugh Mackenzie, general manager of John Labatt Ltd. This summer Mr. Mackenzie took his family and car by boat to Port Arthur and from there motored to Banff. Here is his first-hand report:

"We are all delighted that we did so. Except for one or two very short stretches, which were not really bad, the roads were in good condition and we all enjoyed the trip thoroughly.

"I am writing this letter to you in the hope that other eastern Canadians who contemplate a motor trip to western Canada will not be discouraged by ill-founded reports on the condition of the roads. It is true there is not much pavement and the roads are not free from dust but we had no difficulty in making almost as good time as we would have made on Ontario roads.

"Considering the comparative sparseness of population in the West, I think the Highway Departments of the Western Provinces are to be highly commended on the state of their highways.

"Incidentally, my family now know a great deal more about Canada's terrain and its people."

Who's Disappointed?

The summer is half gone, and some tourist camp operators are beginning to grumble that the season isn't measuring up to expectations. Somebody told them there were going to be 20 million American tourists here this year; so they put up their signs, opened their shutters, and waited for the flood. Now, since the flood is proving to be no more than a comfortably steady and controllable flow, they grumble.

Sound tourist operators never expected 20 million visitors. They sincerely hoped they wouldn't see half that number this year, for they would have had to send them away dissatisfied. We simply didn't have that much accommodation.

The best Canadian hotels are not going begging for guests this season; and, if some of the poorer ones are being by-passed by visitors fortunate enough to have a choice in the matter, the Canadian tourist industry generally will benefit. There are camps, cabins and hotels in every province that would only be tolerated as an extreme, last resort.

Much of the grumbling should be discounted as coming from persons who were not out to build an enduring tourist business, but merely to make a killing in this first postwar summer.

Preliminary statistics on border entries to date show more than double figures for 1945, and promise an all-time record for the Dominion. The fact that we're not welcoming 20 million tourists is no one's fault—except that of those who guessed too high and shouted their guesses too loudly. The current situation, with reasonable accommodation available to a record number of guests, is a much more healthful one for the future of the tourist industry than that overcrowded one which was anticipated by some drum beaters.

So Much, So Many, So Few

A Churchill, faced with Canada's strike-crippled industry, might well say: "Never was so much stolen from so many by so few." The few are the strike agitators, the many their 12 million fellow citizens, the much both goods and wages needed by every Canadian.

A strike of 400 workers at a relatively small southwestern Ontario plant which began July 12, points up the critical nature of the question. Brunner, Mond Canada Ltd., at Amherstburg, Ont., is the source of soda ash for all Canadian industry; and when its furnaces went cold, the effect cut a wide swath right across the industrial field. It hit glass, pulp and paper, soap, aluminum, nickel, silicates, gold and base metal producers, sugar and petroleum refining, dairies, breweries, laundries, food packing. And it all started with 400 workers, probably stirred up by the merest handful of agitators.

If a foreign power were interested in tying our hands behind our back, either with the object of stealing our world markets or our whole country, how better to do it than by a strategic spotting of strikes? It would be easy enough for economists and engineers to observe Canadian industry, either firsthand or through available reports, to put X's on the map, and to dispatch trained and practiced monkey wrenches to fix the machinery. The few ramparts taken, then, the whole stronghold could be theirs.

This could be done easily by a foreign interest, and it would be a perilous thing for us. It could be done, inadvertently but with equal effect, by Canadians themselves. And that would be a major tragedy. Are some of our labor leaders, perhaps with the short-sighted, selfish interest of a few individuals or of a comparatively small group at heart, doing just what someone outside Canada might not dare attempt in the open?

Berry Picker's Lament

After a day or two of enthusiastic berry picking a city vacationist was told by his wife that he might as well go fishing or read a book. She couldn't handle any more berries as her sugar ration was exhausted and the extra three pounds announced for this fall would be too late.

Next winter, when the home-made jam is exhausted, members of this family will join the regular throng in search of diminishing commercial supplies. In the meantime, for lack of sugar, they are forced to see considerable fresh fruit, both wild and cultivated, spoil unharvested.

The simple corrective, of course, would be, if available, to allow families all the sugar they needed to preserve any fruit they cared to pick and process. But this might result in waste, too. There would be some who might be tempted to use this extra sugar for nonessential homebrew and others who, through carelessness or ignorance, might put up jam or preserves which would not keep. And so we are back exactly where we started, but let us hope that before another berry season rolls round there will be no need for sugar rationing.

Stop Me If —

The minister was imploring an old man to repent his sins.

"Well," said the old sinner, "if you will answer me one question, I will come to church."

"And what is the question?"

"Who was Cain's wife?"

"My friend," replied the minister, "you will never be able to embrace religion until you stop bothering yourself about other men's wives."

Post Scripts

Princess Pat Fan

For its new president, the Institute of Chartered Accountants of Ontario has this year chosen genial 51-year-old Harold P. Herington, partner in the Toronto chartered accounting firm of Price, Waterhouse & Co., This "Princess Pats" veteran of Great War 1, was active in accountant association work for many years. He was born in Toronto where his father, the late A. E. Herington, was a prominent public accountant.

MR. HERINGTON

Reputedly at 12, young Herington boosted his pocket money by posting and auditing merchants' books. He matriculated at Jarvis Street Collegiate, then entered the class of 1916 in Commerce and Finance at Victoria College, University of Toronto. In December, 1915, he enlisted in the army and was granted his degree on enlistment.

As a corporal in the signal section he was recommended for a commission, but war's end came before he was released from signal duties to take the course. He is an enthusiastic exponent of the view that the old third division was tops in the Canadian corps, because it included the 7th brigade which in turn included the PPCLI.

Demobilized in 1919, Herington spent 18 months in the audit department of the old Wm. Davies Co. He then joined his present firm in 1921. He became a chartered accountant in 1926, became a fellow of the Institute of Chartered Accountants of Ontario in 1939 and a partner of Price, Waterhouse the same year.

Of medium height, fair, ruddy complexioned, Herington has been a chairman of the editorial board of the Canadian Chartered Accountant and is a member of the Board of Governors of the Canadian Tax Foundation sponsored by the Dominion Association of Chartered Accountants and the Canadian Bar Association to study basic tax matters. He is a member of Rosedale Golf Club and plays around the century mark. He is married and has a boy and a girl, both attending the University of Toronto.

Big Seed Grower

The relation of science to the business of agriculture has always been a sort of hobby with Alex M. Stewart, and as a farmer he has learned enough about it to make it pay off. Stewart, who lives at Ailsa Craig, near London, Ont., has farmed both in the East and West, was re-elected president of the Canadian Seed Growers Association at its recent annual meeting in Winnipeg.

MR. STEWART

CSGA, now in operation for over 40 years, grew out of the needs of agriculture for a supply of special foundation stock seed. This is grown by members under field supervision and inspection of CSGA officials. It is premium seed, registered, and from it is produced stocks of commercial seed.

Born on a farm in Middlesex County, Ont., in 1890, Stewart headed for Alberta when he was 19. He managed a grain elevator for two years and then returned to Ontario and took over a 200-acre farm.

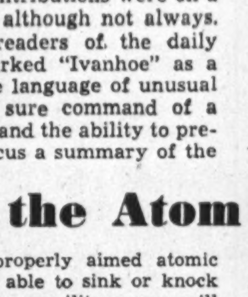
He first started growing registered seed in 1930. Apart from the practical work of producing it he made careful studies of varieties and soil conditions which would give best results. His big reward came in 1940 when at the international show in Chicago he won the world championship in oats and also four reserve championships. Today he is one of Canada's leading exporters of registered seed. Last year he shipped more than 60,000 bushels to the United States.

He was first elected president of the Canadian Seed Growers Association in 1944. It has become a sort of precedent that a president holds his office for a three-year term although elected each annual meeting for only one year. Stewart has now been elected for the third time. He was a director of the association for six years before his first election as president.

New Tribune Pilot

Appointment of Carlyle Allison as editor-in-chief of the Winnipeg Tribune continues the family name in the literary and cultural life of Manitoba where it has been prominent since the turn of the century.

Allison's early life and his home surroundings have indicated that he would go into the newspaper business once he was old enough. His father, the late Prof. W. T. Allison, for years was head of the English faculty of the University of Manitoba. While he was lecturing in English he was also writing. In the columns of the Winnipeg Tribune he usually wrote under the pen name "Ivanhoe." Thousands who were his constant readers never knew who "Ivanhoe" was until Prof. Allison's death.



MR. ALLISON

Usually his contributions were on a literary subject although not always. In any event readers of the daily papers soon marked "Ivanhoe" as a craftsman in the language of unusual competence. A sure command of a rich vocabulary and the ability to present in sharp focus a summary of the currently talked-of output of the book publishers, along with his own critical appraisal of it, were the hallmark of his writing.

Amid this environment it was natural his son should enter the newspaper field. In his university course he specialized in English and was an honor graduate in English in the 1926 class of the University of Manitoba. Less than a month after he got his degree he joined the staff of the Winnipeg Tribune. As a reporter he started on $15 a week. After a limited amount of general reporting he was conscripted as one of rim men of the desk and after a little experience in head writing became night editor.

An attractively larger salary offer took him to the Star-Phoenix in Saskatoon. There he was a reporter, city editor and latterly telegraph editor. To gain wider experience he accepted a position as telegraph editor of the Montreal Gazette in January, 1935.

The following October he returned to the Winnipeg Tribune. First he was assistant telegraph editor. Promotion followed and in turn he became telegraph editor, chief of the copy desk, news editor, managing editor and now editor-in-chief. He succeeds John Bird, who after nine year as chief, has been compelled to retire because of a breakdown in health.

The post of editor in a modern daily paper in any sizeable city is an exacting one. In the newspaper field writing and editing are often distinctive fields. Allison's father was essentially a writer. The son is more the editor, a bent probably explained by the fact that most of his newspaper experience has been in the editing field.

In Winnipeg Carlyle Allison is well known as a radio commentator. He was one of the Canadian editors for the British Broadcasting roundup of Canadian reaction on the D-Day invasion of Normandy which started the last inning of World War Two.

As a newsman he is not a sensationalist. He hews strictly to his code that in justice to the public accuracy of fact and reliability of presentation are the first requisites of the printed news.

The editor of a daily paper has little time for diversions or hobbies. Allison insists he will never be too occupied to stick to his hobbies, which are first his job, second reading, and third contract bridge.

—Cartoon by Grassick.

BUT CAN THEY SELL THE PUBLIC

A Second Look at the Atom Bomb

Maclean-Hunter Editor At Bikini Test

At the recent atom bomb tests at Bikini, R. L. Taylor represented the Maclean-Hunter publications. He is editor of Chemical Industries, New York, one of the four U. S. business publications of Maclean-Hunter, and prepared this sober appraisal of the new power while on his way back from the Pacific.

We know now that although the atom packs a mighty punch, it does not cause tidal waves, it does not sink whole fleets, and it does not entirely preclude protective measures against either its concussion or its radiological effects. Exposure of living things to radioactivity need not necessarily be fatal. Within limits, a ship's evaporator can remove radioactive impurities from sea water, so that a supply of fresh water can be maintained by a ship which may be immobilized in a radioactive area.

But while we now know these things we must never allow familiarity to detract from our respect for this mighty weapon. It remains by far the most powerful and devastating force ever created by man. Anyone who saw the awe-inspiring sight of a million tons of water being lifted a mile into the air, and the half-dozen sinking and listing ships in its wake, will not soon forget the display of power packed in one small atomic capsule.

The question immediately arises: If one can do all this, what can 100 or 1,000 do? Wars are not fought with single bombs. Although the fleets of the future, if there are such, will doubtless disperse their vessels over much larger areas than is now customary; there seems little doubt that 100 properly aimed atomic bombs should be able to sink or knock out 100 ships. As any military man will tell you, that is a score out of this world by present standards. At the moment, however, there seems to be just one thing standing in the way, and that is the cost of the bombs.

The atomic bomb, especially against naval targets, promises to be an expensive weapon for a good many years, and it seems doubtful that the strategists will be willing to expend on a single ship the labor and materials represented by such a bomb when those same labor and materials could be used to wipe out an entire city. Principally for this reason the bomb's greatest military value still appears to be against cities and other concentrated land targets.

But if warships continue to be built, as they probably will, it seems likely that future designs will tend to expose considerably less of the ship above the water line. This is suggested by the amount of damage to superstructures in both of the Bikini tests. The battleship of the future may well present the appearance of a huge submarine with most of its bulk below the water. In fact, thus far nothing has come out of the tests to refute the opinion of some observers that the navies of the future might better put their emphasis on a large number of fast, lightweight but heavily armed ships rather than a few heavily armored giants. Even if it were possible to construct a special ship to withstand an atomic blast, which seems doubtful, there would still be the problem of radioactivity effect on the crew. Experts estimate that on a modern battleship at 1,000 yards an atomic blast would cause 100% casualties among members of the crew who were topside and 50% casualties among those below decks. A crewless ship is not of much value.

Information as to the effect of the atomic bomb on ships and their crews was not the only result of value from the Bikini tests. Much was learned about radio-controlled pilotless planes. It was necessary to develop radio-control methods for planes as large as the Army's B-17 bombers, which were required to carry scientific recording instruments and photographic equipment through the radioactive cloud produced by the blast. As a result drones controlled from either the ground or mother planes are now able to operate as far as 90 miles from the control point. Work now in progress using telemeter and radar principles is expected to extend this range to the limits of television waves. Use of pilotless planes in bombing runs will permit laying out of the bomber formation to give the most effective bombing pattern, without regard to the protective firepower of the formation which is necessary when human pilots are used. Peacetime uses for "drones" can be visualized in such operations as cargo and mail carrying, where the plane would be routed over a network of ground control stations.

The Bikini tests conclude two of a series of three tests planned to determine the effect of the atomic bomb on naval targets. In the first the bomb was exploded approximately 500 ft. in the air over the target array. The second was an underwater explosion, believed to be at a depth of 25 to 30 ft. The third test, of probably even greater significance to the future navies, will be a deep water test, with the explosion taking place perhaps 1,000 to 2,000 ft. below the surface. This test is scheduled for next year and will require more elaborate preparations than those this year.

What Others Are Saying

Editorial of the Week

There Still Are Open Spaces

The Printed Word

Opponents of a policy of expanded immigration for Canada make much of the fact that, even in years when immigrants were coming in plentifully, there was also an outflow of Canadian emigrants to the United States. From this fact they argue that there is little, if any, net increase in population brought about by an immigration policy.

The argument is more plausible than convincing. Immigrants and emigrants alike are seeking to better their economic condition. The immigrants we received in the old days were largely of a class who were willing and able to do heavy manual work, while the emigrants we lost to the United States were largely of the professional, office-worker or skilled-mechanic classes.

There is no relation between the arrival of a ditch-digger and the departure of a Canadian stenographer across the border. What is sure is that, if enough immigrants come in, the country, with more people to share the tax load, more customers for local stores and industries, may become prosperous enough to induce Canadian emigrants to stay in Canada.

Those who think Canada is so crowded that a Canadian must leave the country for every immigrant that comes in have been doing too much driving in city traffic. They should get out into our open spaces.

Other People's Views

A BAD BARGAIN is the description the **Winnipeg Free Press** applies to the recent long term wheat agreement Canada has signed with Great Britain. "There is a large question mark against the advantage which Canada hopes to receive. It remains to be seen if the United Kingdom will pay a penny over the market price two years hence. There is nothing binding in the agreement and all experience is against any such assumption. Therefore, the agreement is one-sided.

"Canada agrees to make a gift to the consumers of the United Kingdom of 45 cents per bushel on the basis of present prices and, further, to set the United Kingdom up in the wheat business at the expense of our wheat growers. If the world price slumps, the agreement will not stand, and there is no way in which Canada can make it stand. The disadvantages are real. The advantages are illusory. There is no doubt of the desire of the Government to do the right thing, but there is more than doubt of its competence in a business matter of this kind."

• • •

MOTORCADES ARE A MISTAKE, flatly asserts the **Peterborough Examiner** commenting on the recent mass demonstration of this kind by an Ontario labor union. "Unless we are much mistaken, this nonsense is borrowed from the U. S. A., where legislators seem to be more amenable to such methods than they have ever been in Canada. The 'motorcade' is a silent threat —a form of pressure—and the majority of Canadian people do not like it. Although the CCL may take 2,000 supporters to Ottawa it may lose the sympathy of hundreds of thousands of Canadians who think that the Parliamentary Committee can do its best without the benefit of such dubious encouragement."

• • •

MANY GOOD PEOPLE want to come to Canada, says the **Farmer's Advocate** (London, Ont.), but if Canada "waits till all the industrial disputes are settled and until everyone finds gainful employment (which they never will), before drafting an immigration program, many of the good peope who would like to come will have gone elsewhere. In the British Isles, in Scandinavia, in Denmark, and in the Netherlands are thousands of young people anxious to emigrate and carve out a career in less thickly populated lands. They are good people and we need them here—in spite of what Labor may say, and in spite of the hostile attitude of the Province of Quebec. Canada needs far more people than we can ever hope to acquire in the next 25 years through a natural increase in the present population and now that good people are looking for new homes we at least ought to let them know when and under what circumstances we will let them come in."

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Aug. 10, 1946

Germany Seeks Industrial Recovery As Bulwark Against a New Nazism

Floyd S. Chalmers, Executive Vice-President of Maclean-Hunter Publishing Company Limited, recently attended the Imperial Press Conference. Following is the tenth of a series of articles presenting his diary, written each day during his tour of Britain and the continent.

BERLIN

MONDAY. Here one sees most vividly the depth of the degradation that the Nazis brought upon their nation. This is the city whose bombed buildings present a spectacle of gaunt but almost majestic ruin. There were few more ornate cities anywhere. Today, bock after block, mile after mile of some of Europe's choicest architectural treasures stand as blackened hulks, but with much of their original grandeur still alive, like the armless Venus de Milo or the remnants of an ancient English abbey.

It is a city where money no longer has any meaning; where people barter their treasures for food; where a woman who once lived in wealth will sell herself for the night for 20 cigarettes; where you can get a week's laundry done for a dime store lipstick; where formerly comfortable people search the streets for cigarette butts.

It is a city where women work, almost in chain-gang style, with shovels and buckets, cleaning up rubble in order to get the few hundred extra calories a day allowed for such work. It is a city where the Herrenvolk obey the orders of their foreign conquerors—and welcome them as deliverers from the men who brought them to ruin.

Here is, in brief, the story of my first day here. Our party spent the morning touring the destroyed city. I rode in a jeep to get a better view. The main roadways have been cleaned up; water and light have been re-established; but of reconstruction there is no sign except where the occupying armies have restored a building to provide headquarters.

Tricolor Tops Prussian Memorial

The first sight one saw had a sardonic touch. Hitler moved the towering Franco-Prussian war memorial to a place of honor on the East-West Axis. It stands, little damaged, but the French have put a mast on top and there hangs the tricolor on the monument that once celebrated the defeat of French.

Past the monument, one drives through the Tiergarten; most of the trees have been chopped down for fuel. Besides the burned-out Reichstag, the Russians have already erected their own war memorial, a magnificent structure, and a daily reminder to the Germans that Hitler made a mistake in 1941. Through the Brandenburg Gate, still standing but greatly damaged, with the horses and famous bronze chariots of war upturned and shattered. Into Unter den Linden, where all the walls stand but all the buildings are completely gutted.

Then into the Wilhelmstrasse, where Hitler and his gang plotted their crimes. The older buildings are rubble; the newer ones fire-swept and pock-marked. The old Chancellery is gone, the new one, built to reflect the splendor of Hitler's "thousand years," is systematically being stripped of everything, for we are now in the Russian Zone. Gangs of German women, with Russian soldiers to watch them, are taking down the marble, the lighting fixtures (by now all the furniture is gone). One bucket-brigade of women, high on the roof, were throwing the broken tiles down one side and salvaging the good tiles by lowering them down the other.

Hitler copied Mussolini in the "psychological" layout of his offices. To see him, one walked first through the open court, then down a hall of enormous length, through two or three rooms of great height and into his study, perhaps 120 x 90 feet, and 50 feet high, lined with the finest of marble. Several of our party helped themselves to pieces of marble large enough to fashion into ash trays or book ends, or to the eggshell blue tiles from Hitler's private bathroom, off his office.

* * *

Hitler's Hideout Was Enormous

Out in what was once the garden where Hitler took his morning stroll (twice around) there were three cows grazing. The Russian officer could not tell who owned them but I think I can guess who milks them! And then down into Hitler's famous air-raid shelter where he met his leaders during allied air attacks. It's quite fantastic and enormous in size. I could not count the rooms but would guess that there are 25 to 30 living rooms, offices, bedrooms (including a suite for Eva Braun next to Adolf's suite); a suite for the Goebbels family; kitchens; a wing for the servants; large telephone switchboard. Here Hitler died and up above one sees the spot where the bodies were found, so burned that the Russians to this day do not admit that they were the bodies of Adolf and Eva.

We covered most of Berlin in two or three hours of driving. There are many flats standing in the residential west end, where people crowd like ants. The famous window boxes are still there; but they are filled with tomato plants.

To the former German military H.Q., now H.Q. for Sir Sholto Douglas, military governor of the British Zone in Germany. He talked frankly and "off the record" for an hour on Germany's future. Lunch at the Blue White Club, the Wimbledon of Germany, where Goering played tennis and swam in the pool. It makes a charming sports club for British officers. Later in the day we went to another mess for tea where we met leading German personalities; the people who run Germany under allied direction, who edit her newspapers, and head her political parties. Most of them bear the scars of their life in foul concentration camps. This officers' mess is set in a spreading garden; Hitler built it as a school for Gauleiters, who were to be sent abroad to rule conquered countries—England, Canada and even the United States.

* * *

Cigarettes Real Berlin Currency

I slipped away and explored the barter markets for an hour or so. Shops are few; most of the traders have had to find rooms in the cellars or upstairs in remnants of office buildings. On main street corners are huge boards on which they post tiny notices stating where they can be found. I made a few purchases but had not time to browse around much. In marks, prices are very high; in cigarettes or soap, very cheap. For a rather old and lovely miniature on a cream jar the shopkeeper wanted 900 marks ($90). I got it for 150 cigarettes and a pound of coffee. For another miniature in an ormulu frame (priced at 600 marks or $60) I paid 75 cigarettes, a pound of coffee and two chocolate bars. I am not a good trader. I could have got them for the cigarettes alone. One of the Australians wanted a pair of Zeiss field glasses. Price 1,750 marks ($175). He was short of cigarettes and had to barter hard to get them. Eventually he overpaid by giving 125 cigarettes, 3 bars of cheap soap, 50 cheap razor blades, one lb. of coffee, two small tins of tobacco and two chocolate bars. Here are the values the shopkeeper put on his articles:

Cigarettes ....60 cents apiece
Soap ....$10 a cake
Coffee ....$20 a pound
Chocolate Bars ..$5 each
Tobacco ....$20 for 2 oz.

That does not add up right. Apparently in his opinion, he threw the razor blades in free! Anyway, the field glasses and the leather case cost him $5.50 in the actual value he paid for his barter goods.

Cigarettes and soap are the true currency of Berlin. The merchants who paid 60 cents apiece for the cigarettes will sell them at $1 apiece; but I do not know to whom.

* * *

Marks Are Cheap in Black Market

What is the real value of the mark? Probably very little. The official rate is 10 cents. Exchange is carefully controlled by the Allied governments at that rate. Shopkeepers are not allowed to accept U. S. or Canadian currency or pounds. But I am told that in the black market marks can be bought at half a cent in U. S. money. I did not attempt to locate this market, because such exchanges are obviously embarrassing and costly to our own governments, quite apart from being illegal. So for the rate I quote I can offer only hearsay evidence.

I was in one house here, occupied by the head of an allied mission, which was badly bombed but which has been completely restored, payment being made in cigarettes which cost the occupant a few dollars, since he imported them tax-free. The house was owned by a once-prosperous banker who has lost everything. Today he is the furnace man and lives in a servant's room in the house where he used to preside as host.

Tonight I had two guests for dinner, Germans whom I had been asked by mutual friends in Canada to see. They were a man and woman who had not previously met. Here is in brief their story:

The woman was once the wife of a very able senior executive of one of the two or three largest business firms in Germany. Her house was destroyed. Her father was shot by the Russians. Her mother was killed in bombing. Her eldest son was killed in the war. The daughter was raped repeatedly by Russian soldiers and committed suicide. This woman was herself taken away by Russian soldiers, held for three days, and was their plaything until they found a younger girl.

In despair, the woman, her husband and her son decided to commit suicide. They took poison. The father died. The mother, half drugged, heard her son calling to her. He said, "Mother, I am not going to die. You must live and we shall face the world together."

By some miracle, both did live and they are facing the world together. She is sending him to school; she has a small pension (140 marks a month) from the company whose plants her husband once managed. She cannot live on that but she earns occasional money working in an American officers' mess. She hopes in a few years to be able to come to the new world.

In her heart there is no hatred for anyone but Nazis and Russians. She thinks the British and the Americans have been fair; that they fought the war well for the cause of civilization and decency; that they are doing their best today to help the German people to help themselves.

* * *

Industrialists Must Share Hitler's Guilt

My other guest was a very famous business leader of Germany—a Catholic, and a former director of many large companies. He is now an adviser to the Americans on the industrial reorganization of their zone. I asked him to tell me what he knew of the support given to Hitler by the industrial chiefs. He was very frank.

"I never said 'Heil Hitler' nor wrote it in a letter," he told me. "In 1932 I attended meetings of industrial leaders called to discuss Hitler. I warned them that Hitler would ruin Germany. I had been told as early as 1929 by medical men that he was a schizophrenic maniac. My speech is on the record and the allied governments have it today. In February, 1933, Goering came to the industrialists and demanded money to fight the elections. Only two major industrial leaders supported him—Thyssen and Kierdorf, the coal king of the Ruhr. Krupp refused money and so did the others.

"Hitler got his chief support from small businessmen. Nevertheless, the larger industrialists must accept responsibility for him. We could have banded together and stopped him. We could have saved liberty and democracy. But too many leaders of industry believed his promises. They thought Germany needed strong government to deal with unemployment. By the time industry realized what Hitler really meant, it was too late to stop him. I did what I could, but I do not wish to avoid my responsibility. I frankly and freely admit that all of us—and I include myself—must share the responsibility for what Hitler has done to the world."

This was interesting, because he was the first German I have met with any sense of guilt. And yet, knowing more about him than I am privileged to put in this diary, knowing of certain work he did during the war, I would feel he was perhaps as guiltless as anyone could have been.

* * *

Would Raze Boundary And Tariff Restrictions

We sat up until one o'clock, discussing the future of Germany. It is difficult to compress his views in a few sentences. But he feels that Europe's future salvation lies either in (a) a United States of Europe or (b) such freedom of trade and exchange in the world that boundary lines with their high tariffs and restrictions cannot again obstruct the business of mankind and the raising of the standards of living of all people.

He thinks Germany must be re-united. The industrial areas of the Ruhr and the agricultural lands in the Russian zone are complementary; one cannot live without the other. I asked him about international control of the Ruhr and of German heavy industries. He had no objection to that.

"The only thing that matters is that Germany has a chance to live, and that her industries may be allowed to play their part in supplying the world with the merchandise it needs. International control may be just another name for international co-operation, on which the whole future of mankind depends. The only real danger to the world from Germany is in the possibility that sheer frustration and despair may invite another 'strong man' to lead the people to Communism or Hitler's kind of Socialism. Germany can help to preserve peace if she is allowed to work and to produce. It makes no difference how much she is controlled so long as she can produce, and buy and sell."

Personally, I cannot see much wrong wrong with those views.

BUSINESS THIS WEEK

THE FINANCIAL POST	JULY	JUNE	MAY	APR.	Year Ago
PRODUCTION INDEX (1)	....	....	190.1	189.6	233.2
GOVERNMENT FINANCE (millions of $)					
*Dom. total revenue	....	262.3	265.7	156.2	213.3
Dom. total expend.	....	249.3	243.1	122.3	420.7
MERCHANDISING					
Dept. store sales index no. (1)	....	191.8	208.8	213.4	169.1
Retail sales index no.	....	....	216.9	212.0	182.0
Wholesale sales index no.	....	....	260.1	238.1	205.9
*Country store (% change pr. yr.)	....	+10.0	+17.2	....	....
FINANCE					
*Dividend payment index (5)	146.9	144.9	143.2	143.2	140.0
*Bank debits (1)	....	....	206.4	221.1	222.6
Bank deposits index (1)	....	....	253.1	248.1	235.6
*Money supply (millions $)	....	....	7,106	7,190	6,679
NEWSPRINT CAPACITY					
Production ratio	....	....	....	93.8	70.5
Shipment ratio	....	....	....	96.7	78.8
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) index	....	193.7	184.4	187.9	226.7
Cars (D.B.S.) index	....	141.3	140.4	143.9	186.0
COST OF LIVING					
D.B.S. index	....	123.6	122.0	120.8	119.0
EMPLOYMENT INDEX, D.B.S.					
*All industries	....	169.9	169.3	168.9	175.3
*Manufacturing	....	184.6	186.2	184.9	209.0
*Payrolls (June 1/41=100) (2)	....	137.0	138.0	139.5	142.2

			Jan. 1 to date		Change
RAILWAYS—(000's omitted)	1946	1945	1946	1945	%
*Carloadings (week July 27)	70.2	73.4	2,001.7	2,053.3	—2.6
*C.P.R. gross rev. (July 31)	8,219	9,921	163,509	183,853	—11.1
C.N.R. gross rev. (May)	30,784	37,617	154,554	174,212	—10.1
C.N.R. net rev. (May)	3,328	7,398	15,150	30,050	—49.6
C.P.R. gross revenue (May)	22,589	26,622	116,298	128,635	—9.3
C.P.R. net revenue (May)	1,048	3,537	6,528	12,567	—48.1
IRON AND STEEL (000's omitted) (May)					
Pig iron production (tons)	139.1	155.6	746.1	782.9	—4.7
Steel produciton (tons)	259.6	287.0	1,234.8	1,338.5	—7.3
CONSTRUCTION (000's omitted)					
Contracts awarded (June) $	66,401	53,875	342,606	175,748	+94.9
*Building permits (June) $	28,340	19,560	200,729	80,673	+148.8
*Cement prod., bbls. (May)	1,330.0	783.1	2,127.1	3,726.1	—43.0
AGRICULTURE (000's omitted)					
*Flour prod., bbls. (June)	2,184	2,134	24,272	22,854	+6.2
Flour exp., bbls. (June)	1,060	1,613	7,523	7,401	+0.8
Wheat exp., bush. (June)	9,947	43,295	79,368	110,485	—28.2
Cattle sales (June) (4)	112.6	101.4	711.6	773.3	—8.0
Hog sales (June) (4)	190.8	367.5	2,457.9	3,429.8	—28.9
SEA FISHERIES (000's omitted)					
Catch, cwt. (May)	1,216	1,100	2,321	3,352	+15.9
Landed value (May) $	7,881	6,331	14,433	12,943	+11.5
NEWSPRINT (000's omitted)					
Production (June)	344	266	2,003	1,545	+29.7
Exports, tons (Apr.)	348	264	1,270	980	+29.6
MINING AND OILS (000's omitted)					
*Coal prod., tons (May)	1,396.0	1,300.6	7,791.6	7,185.4	+8.4
Gold rec. (fine oz.) (May)	223	222	1,180	1,083	+8.9
*Petroleum prod. (brl.) (May)	649.9	715.9	3,248.5	3,848.9	—16.0
ELECTRICAL POWER OUTPUT (000,000 omitted) (June)					
*Total monthly kw.h.	3,415	3,407	20,686	20,668	+0.1
FOREIGN TRADE (millions of $)					
Imports (May)	164.2	143.8	722.2	652.2	+10.7
Exports (June)	166.7	222.8	1,062.8	1,718.4	—38.2
FINANCE (millions of $)					
Bank debits (May)	6,116	6,894	28,898	26,582	+8.8
Bond sales (June)	236.9	148.6	2,076.6	3,610.8	—85.9
Life insurance sales (June)	103.9	54.9	584.4	369.2	+58.3
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (May)	4.1	3.3	18.9	16.0	+18.1
Cigarette cons. (no.) (June)	1,181	1,182	6,961	6,884	+0.9

(1) Base period 1935-39=100. (2) All industries. *New items for week. (4) Total at yards and plants. (5) Nesbitt, Thomson, etc.

Resume Expansion of Dupuis Freres

MONTREAL (Staff) — Dupuis Frères, operating a large department store and mail order business in Montreal, will soon resume the store expansion and modernization program launched in 1937 but suspended during the war, President Raymond Dupuis, K.C., told The Financial Post. Part of the funds for this purpose will come from the $175,000 to be realized on the company's July 31 preferred refunding issue, the balance to be realized from an additional mortgage loan on the store properties. Question of the size of the loan and the date of its issue is now being actively negotiated, Mr. Dupuis said.

Exact amount of planned capital expenditures cannot be reduced to the final dollar at this time, Mr. Dupuis said, because of the uncertainties in the building supply situation. However, it will embrace a large-scale expansion program on the 54,000 sq. ft. of land presently owned and occupied by the company on St. Catherine St. East. Older buildings there will be replaced by new, completely modern buildings.

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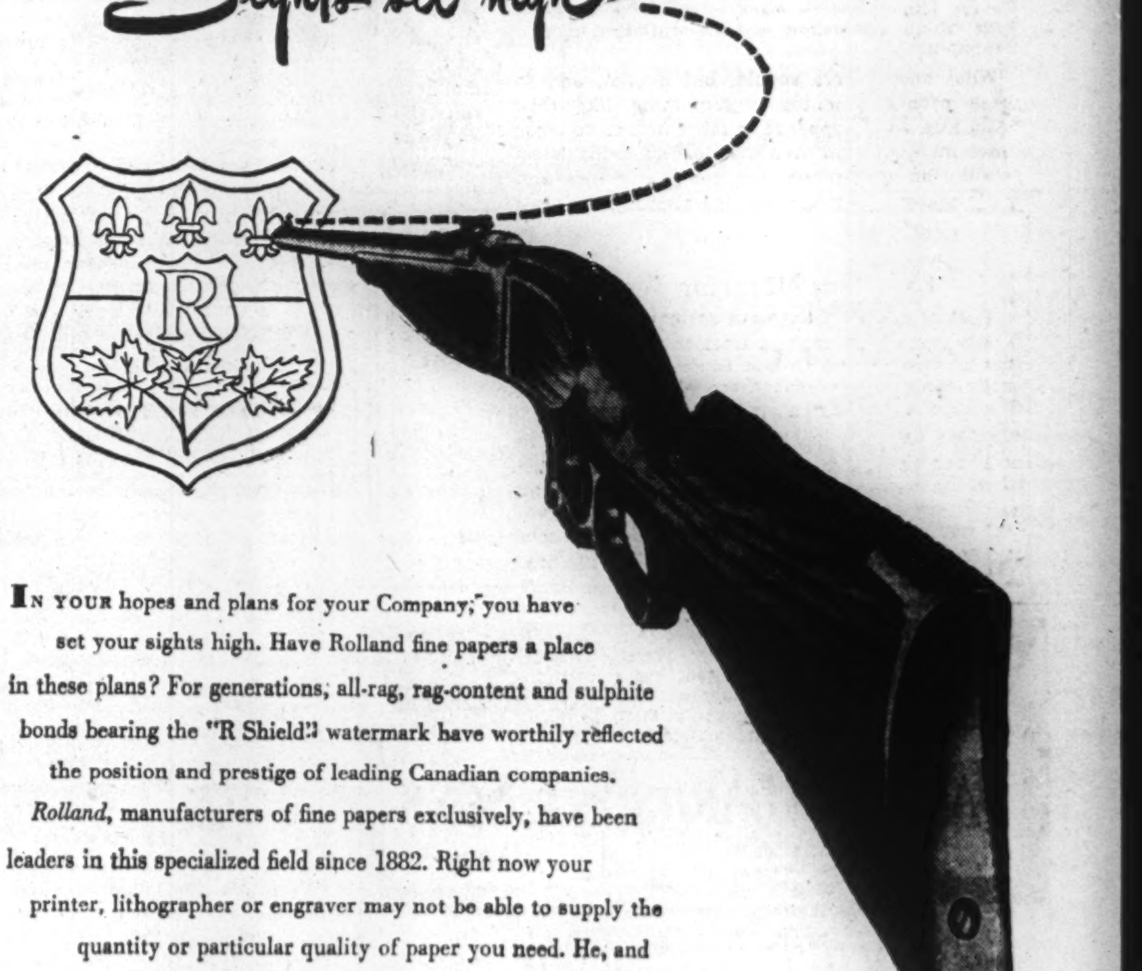
Sights set high?



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COMPANY LIMITED
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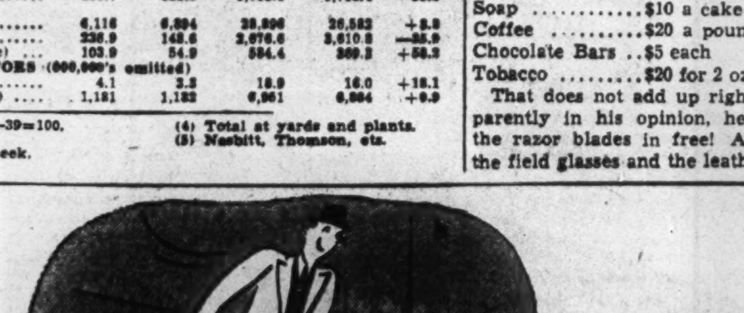
HEAD OFFICE: MONTREAL, QUE. • BRANCH OFFICE: TORONTO, ONT. • MILLS AT ST. JEROME, QUE. AND AT MONT ROLLAND, QUE.



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And that is why newspaper advertisements never take a holiday . . . They're as timely as today's headlines . . . They, too, are on the job every day, serving those millions of readers who must continue to buy wisely and well during these critical times.

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"Canada's Greatest Newspaper"

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What is right for one may not be wise for another—in the realm of investments.

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Price Range of 80 cents a Bushel Spells Headaches to Wheat Board

From Our Own Correspondent

WINNIPEG—A price of $2.05 a bushel, basis No. 1 Northern, at lakehead terminals, became effective last week as the price at which wheat will be sold for export to noncontract countries. Corresponding prices are to be announced for acceptance each day, and presumably will fluctuate in accordance with the Chicago market. For the moment the only wheat offered on that basis is to Canadian mills desiring to export flour to a published list of some 43 countries. In a month or so, as new crop wheat becomes available in quantity, the assumption is that unmilled wheat may be bought and exported on a corresponding basis.

At the same time, the Wheat Board began to make effective the contract recently signed with Great Britain, under which 160 million bushels are to be provided during this crop year at a basic price of $1.55 a bushel, with 15% of that quantity to be exported as flour.

That contract made it essential to abandon the price ceiling of $1.55, which previously had prevailed on all wheat exported. Otherwise it would have seemed absurd to sell wheat to noncontract countries at 50 cents a bushel less than what must be regarded as the world price. But what made it practicable to abandon that ceiling was the system of pooling returns from successive crops, so that for a considerable time farmers will not get more than the Wheat Board initial price of $1.35 a bushel for the wheat they sell. A higher immediate return to farmers had previously been regarded by the Government as carrying the dangers of inflation.

See Two-year Limit

As a marketing mechanism, as a method of disposing of wheat when selling presents either difficulties or problems, such a bifurcated and two-price system as has now been put into effect would be regarded as flatly impossible. For the current year, when the problem is not to sell wheat, but to allocate it among different needy countries, no system could prevent sales being made. General opinion in grain circles is that the program now entered upon may last for two years, but probably not much longer. The end of two years would be a convenient time to drop it as that marks the end of the period of price definitely guaranteed to Great Britain.

The next difficulty encountered by the Government and the Wheat Board may be the desire of other countries, good customers for Canadian wheat, to have the terms of the British contract extended to them. To refuse such requests may be embarrassing to the Government in its relations with other countries. But to accede would involve the Government in increasing difficulties with Canadian farmers, likely to see in any widening of the contract area no advantages to themselves, but instead, a definite limitation on the returns ultimately to be expected for their wheat.

Criticism of the Government wheat program and of the British contract generally, has so far been comparatively mild among farmers, which is no guarantee of continuing contentment. Many farmers have not realized the extent to which wheat exports have been made from the United States at prices approximating the $2 level; or have regarded prices prevailing south of the line as appertaining to the American economy and not to that of Canada.

Farmers to See Loss

To see the Canadian Wheat Board actually charging $2.05 a bushel for some wheat exported from Canada will inevitably raise questions as to the loss they may have suffered from the export price ceiling long in effect, and will emphasize the immediate advantages that Great Britain is obtaining from the contract.

Then again, many farm organizations, and especially, of course the wheat pools, have long fostered the idea that some method of marketing wheat superior to the open market was to be found, and also that by some means, prices might be stabilized from year to year.

Momentarily, perhaps, the combination of the British agreement and the announced guarantee of price seemed to meet those requirements. A statement by H. H. Hannam, president of the Canadian Federation of Agriculture, that the new wheat policy was in line with the thinking of Canadian farmers, appeared to be justified by the record.

The wheat pools apparently accepted the British agreement, and the principle of pooling wheat returns over a period of years in order to make possible the guarantee of a minimum Wheat Board basic price of $1.35 for the next four years. They objected, however, to the fact that wheat for domestic consumption in Canada is still to be provided on the basis of $1.25 a bushel, something which might be justified by continuance of other price controls in Canada. They also protested against limiting farmers' returns from the 1945-46 crop to $1.25 and holding back additional returns which conceivably mean retention of from 10 to 15 cents a bushel, to a total of from $20 to $30 millions.

Charge Contract Breach

Mr. Wesson, president of the Saskatchewan Wheat Pool, characterized that as a breach of contract. Apparently, the pools were prepared to ignore that funds retained from the crop of 1946-47—and the same may be true of the following year—may amount to three times the retention from last year's crop.

Only one farm organization, the Alberta Farmers' Union, denounced the principle of pooling returns from different years, and demanded a separate settlement for each year. The United Farmers of Canada, Saskatchewan section, was the only one to denounce the terms of the British contract, to declare that wheat is being sold too cheaply to Great Britain, and that a bad bargain had been made.

Quite evidently then, in spite of the statement of the president of the Canadian Federation of Agriculture, opinion of farm organizations is not unanimously behind the whole wheat policy as announced by the Government. Winnipeg observers expect criticism to grow, once it is realized that some Canadian wheat is actually being sold at more than $2 a bushel.

Widespread belief that the present situation may not last more than two years is not based so much upon an estimate of farm opinion, as on belief that the technical difficulties in the way of administering present plans may before long prove insuperable. Besides friction inherent in the effort to sell wheat concurrently at three different price levels, are many problems associated with endeavoring to make the Chicago market, instead of a market in Canada, the basis on which a considerable quantity of wheat is to be sold.

U. K. Repairs Tying Up Most Building Workers

Only about 14% of Britain's total building labor force of 890,000 is working on new houses, while about 86% are reported employed in repairing war damage to houses, factories and public utilities. This is the basic reason given for slowness of the whole housing campaign.

In the opening half of this year 35,000 temporary houses, and 15,000 permanent houses were completed; in addition, 26,000 temporary and 117,000 permanent houses were under construction.

London reports say private builders still lead the way in completed homes, despite "discouragements" offered by Health Minister Aneurin Bevan. However, the same reports say that local government housing authorities gradually will forge ahead owing to the large number of contracts allocated them.

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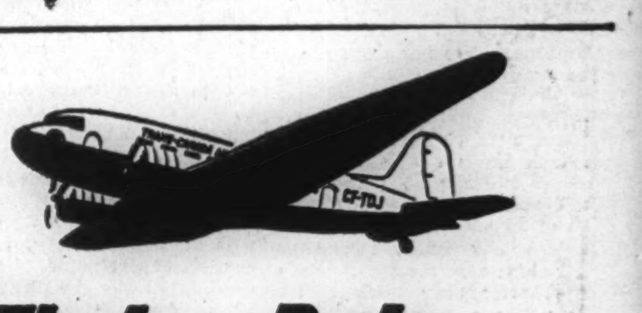

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Labor Roundup

Strike Picture Spotty As Unions Wait on Steel

Steel this week still hugs the strike spotlight, with the rest—rubber, electric equipment, automobiles, chemicals, brass and mining, in the background waiting their cue. They seemed content to wait, apparently with a conviction they're all to figure more or less satisfactorily in the settlement picture.

Latest development in the steel mediation crisis was transfer of responsibility from the Lalonde Parliamentary Committee to Leonard W. Brockington, K.C. This came at a time of deadlock in the wage issues as between a 10c.-hr. pay boost offered without a Rand formula check off by President Hilton of Stelco, and a 15½c. hr. plus with such checkoff demanded by Union Leader Millard. Rumor persisted settlement might be near 12½c. with a compromise revocable checkoff arrangement improving on the Rand scheme.

Some news was coming from other strike fronts, but in dibs and dabs, and as much bad as good.

United Packinghouse Workers CCL-CIO is to meet all packing operators Aug. 7 to press demand for $33.60 minimum in a guaranteed 37½-hr. week. Swift Canadian employees in Winnipeg, Edmonton, Moncton, Moose Jaw, New Westminster and Toronto meanwhile appear to be voting solidly for strike action if the company refused to bargain industry-wide on that basis.

Negotiations in Progress

Negotiations continue between the Brotherhood of Maintenance of Way Employees and the Railway Association of Canada over a demand for 20c.-hr. pay boost for 25,000 workers who got 2c. and 5c. last year. Nor did threatened breakdown develop in negotiations between Port Arthur Local, Lumber and Sawmill Workers AFL and provincial conciliation officer Louis Fine. Stalemate on the Union checkoff continues between Kirkland Lake Gold Mining and Local 240, United Mine, Mill and Smelter Workers. Strike threat in shoes, clothing, theatres hasn't materialized.

Newest bright spot since B. C. woodworkers and Great Lakes seamen returned to work and the farm tool strike threat was averted, is that operators of 32 Vancouver foundries, where 700 have been on strike since May, have reached tentative agreement with United Mine and Smelter Workers, with work being resumed this week.

The ten-weeks-old strike of 3,000 textile workers at Montreal Cottons, Valleyfield, has lapsed once more into apparent stalemate after hopes for settlement this week. Dominion Textiles' 2,000 striking workers in Montreal are now back with pay boosts ranging from 7c. to 11c. an hour. The Monarch Knitting strike in Toronto continues.

As for rubber, 10,300 are still out peacefully in eight companies, 11 plants, six Ontario communities. United Rubber Workers CCL-CIO is holding firm for a 20c pay boost, against company offers of 10c. and less. Quebec rubber workers soon may be joining the shell-out parade.

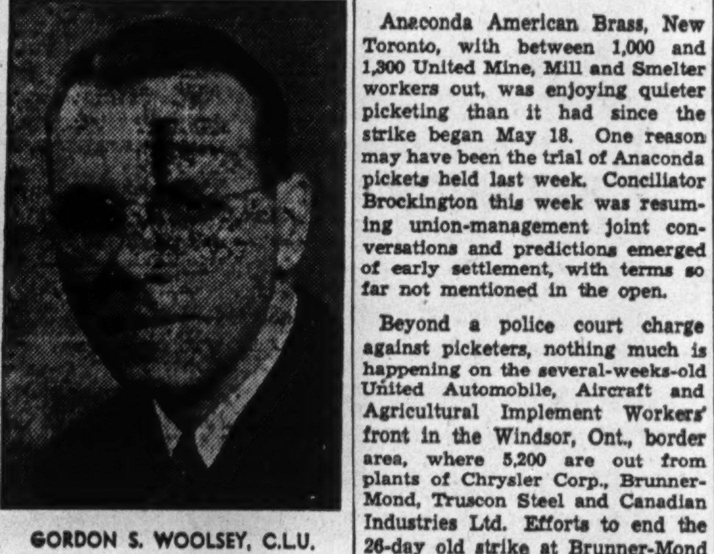
Rumors of Trouble

With 7,240 members on strike, United Electrical Workers CCL-CIO is sticking to demands for 25c. hr. pay boost and 40-hr. week instead of 44. The strike affects five companies, plants and communities, mainly Westinghouse, Hamilton, with 4,000 idle. Mass picketing is being resumed in Toronto district plants of Canada Wire and Amalgamated Electric, where UEW assertedly has heard rumors of "importation of strikebreakers" and thinks "trouble may start any minute."

Anaconda American Brass, New Toronto, with between 1,000 and 1,300 United Mine, Mill and Smelter workers out, was enjoying quieter picketing than it had since the strike began May 18. One reason may have been the trial of Anaconda pickets held last week. Conciliator Brockington this week was resuming union-management joint conversations and predictions emerged of early settlement, with terms so far not mentioned in the open.

Beyond a police court charge against picketers, nothing much is happening on the several-weeks-old United Automobile, Aircraft and Agricultural Implement Workers' front in the Windsor, Ont., border area, where 5,200 are out from plants of Chrysler Corp., Brunner-Mond, Truscon Steel and Canadian Industries Ltd. Efforts to end the 26-day old strike at Brunner-Mond in Amherstburg were stalemated at the week-end.

Still out since July 3 are 2,500 British Columbia hardrock miners for a 29c.-hr. pay boost and 40-hr. week. Elsewhere, notably in Vancouver and Hamilton, strikes of Typographical Union AFL against Southam newspapers continued with an outburst of picket violence rather than any nearing of settlement.



GORDON S. WOOLSEY, C.L.U.

who has been appointed Assistant Superintendent of Agencies, London Life Insurance Company. Mr. Woolsey joined the company as an industrial agent in Fort William, fourteen years ago. In three years' time he became a local superintendent and in 1940 was appointed to the position of city manager. In this capacity he served in Toronto, Ottawa, Montreal and Hamilton. As manager at Hamilton, Mr. Woolsey was in charge of the company's largest office in the Industrial Branch.

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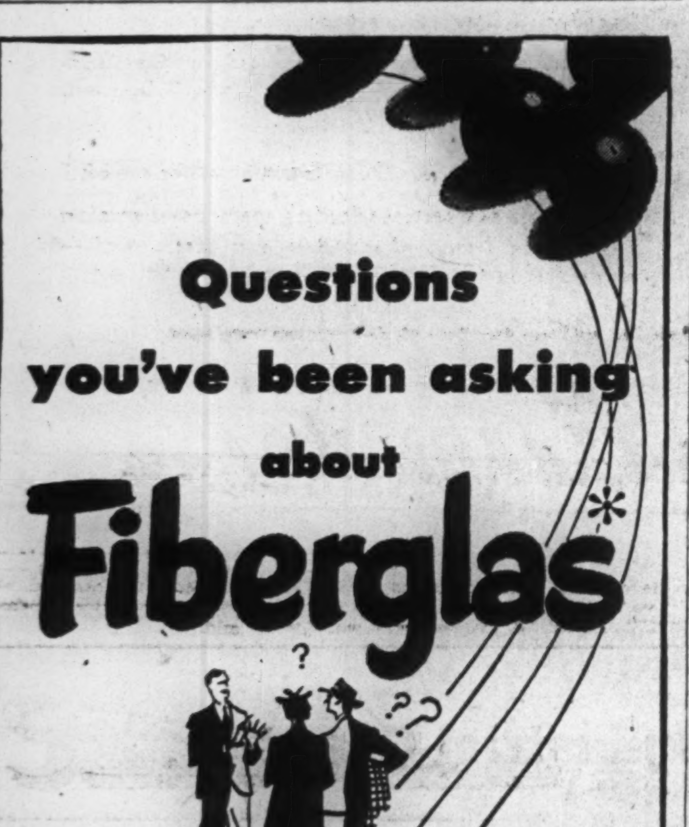

Just what is Fiberglas?

Fiberglas is just what the name implies. It is extremely fine and pliable glass filaments either spun into fibre form, or blown into wool form.

Is Fiberglas strong?

Yes. Fiberglas fibres have ten times the tensile strength of steel of the same size.

Is Fiberglas made in plate form like window or plate glass?

No. Fiberglas is entirely different from any glass you've ever known before. It is not molded in blocks, or sheets, but is spun from incredibly fine filaments of glass, much finer than a human hair, and may be woven on a loom like cotton or silk.

What is Fiberglas used for?

Fiberglas is used in many ways. It is famous as an insulation material, in homes, factories, aircraft and ships. Fiberglas is used to insulate household products such as ranges, refrigerators, ironers, clothes driers and many other appliances.

Is Fiberglas used only as an insulation?

No. Draperies and other decorative fabrics are made of Fiberglas, which makes them completely fireproof. In the near future you'll find Fiberglas being combined with plastics to give furniture, luggage, and scores of other useful products strength, lightness and durability.

For further information, write for FREE booklet—"Fiberglas—Many Forms for Many Uses".

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FIBERGLAS CANADA LIMITED
GENERAL SALES OFFICE: 1200 BAY STREET, TORONTO, ONTARIO

'Can't Have Too Many University Graduates'

The Question—Chancellor Gilmour of McMaster University fears that we are attempting to turn out more university graduates than Canada can absorb. What is your view?

Under present conditions Chancellor Gilmour is right, say the great majority of those queried by The Financial Post this week. But they point out every citizen should benefit by education and the important thing is to improve opportunities in Canada so that we can use more university graduates. Practically all argue that the more education a man gets, the better citizen and worker he makes and that, furthermore, even if we do export some brains to the south, those exports make fine salesmen for Canada.

Among specific suggestions made are higher standards of education from high school entrance on, and a great revival of the apprentice training in industry, including forestry and farming.

G. A. CAVIN, Secretary-treasurer, Kerr-Addison Gold Mines Ltd., Toronto.

If Chancellor Gilmour means that we could not absorb all graduates into their chosen professions in executive or managerial capacity, he may be right. But an immigration policy that would increase our population considerably would create a demand for the services of such graduates. "A little learning is a dangerous thing" and a higher education costs nothing to carry around, once acquired, so by all means let all who can absorb it receive the best education possible. It will never come amiss.

• • •

RAY T. FORBES, Mayor, Fredericton, N.B.

Canada is definitely not turning out too many university graduates. Every Canadian would benefit from a university education—in making it possible for him to live a more enjoyable life and a fuller life. Education would enable him to render greater service to his fellow citizens. While it may seem that Canada is turning out more university graduates in certain specialized fields than present conditions seem to warrant, this is no reason for refusing university education to students in these fields or in any other field. Canada's future may depend upon its university graduates.

• • •

R. J. FLATT, G. R. Duncan Co., real estate brokers, Fort William.

It is my belief that trades and artisanship should be strongly encouraged in today's economy. Labor generally is well paid and will continue to demand and receive good wages. This is still a pioneer country and if it is going to develop the first essential is a large body of skilled tradesmen and artisans. All possible assistance should be given to a revival of the apprenticeship system, to trade, forestry and farming schools and to qualified instructors in these fields. If university training is channelled into chemistry, engineering, farming and practical pursuits, these graduates will not only be absorbed, but will be in constant demand.

• • •

DR. W. H. Fairfield, Superintendent, Dominion Experiment Station, Lethbridge.

If universities are exclusively for use of those entering the so-called learned professions then we may well have a surplus of graduates. But if they can provide a broad-based education, then a man going into any form of industry from agriculture to finance should be better prepared for a responsible position and leadership by being college bred. The number of students having the talent and ability to profit by a university education is, more or less, a picked proportion of graduates, and many will fail to make good; but Canada needs leaders, and I think the higher education for a greater number is justified by those to whom opportunity means success.

• • •

DR. FREDERICK PHILLIP GROVE, novelist and writer, Simcoe, Ont.

Chancellor Gilmour is quite right. The remedy is to raise the requirements but not only for university entrance but also for high school entrance so as to give high schools proper materials to work with. At least 50% of our high school students should not be there, because they have no chance of entering university. Special provision should be made for them. Now is the time for raising the requirements and thus become on a par with the leading educational systems of the world.

• • •

REV. W. C. GRAHAM, Principal United College, Winnipeg.

If we are educating a lot of brains for export, it is not because we have too many pursuing higher education but because they are unfortunately distributed as between faculties. Certain faculties preparing men and women for technical professions are overcrowded, and this may lead to some export of brains which after all is not a bad thing in this age of one world.

This condition cannot be corrected in a free society by any kind of regimentation. The cure lies in requiring more general liberal education as a prerequisite to professional training of any kind. Only as youth are made more aware of the whole pattern of human life will they choose a vocation by mature judgment rather than under the stimulus of some adolescent fancy or preference.

• • •

JOHN N. HUNT, Manager, Radio Station CKMO, Vancouver.

I feel the basic value of the university training is that it teaches original thinking. Today, more than ever, the world needs original thinking. Too much in the past because of lack of understanding of world affairs, people have been inclined to fall under the influence of mob psychology. Proper university training should cause individualistic appraisal of the problems of life and should give recipients better opportunity to make decisions of their own. Instead of spending time deciding what is wrong with the world they should more profitably spend their time on originating ways and means of improving their lives.

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J. D. HAYES, President, Laura Secord Candy Shops.

A growing country such as Canada with a future full of promise, should be able to absorb all the university graduates that can be produced. Canadians can never have too much culture and a university education can benefit both the nonprofessional class and the professional class in this respect. Any individual will be a better businessman, a better farmer or a better salesman when he has the benefit of the cultural background obtained through a university course in science, arts or medicine. And will he not live a richer, fuller life in consequence?

Equally as important as the cultural aspect of a university education is the fundamental advantage to a student in learning how to think logically and factually. Canada and every other country can never have too many people who know how to apply the sound reasoning of a trained mind to its political, financial and social life.

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A. W. HANKS, Editor, St. James Leader, Winnipeg.

I agree with Chancellor Gilmour. If Canada were only to produce just what Canada can absorb, our economy would be poor indeed. We are essentially an exporting nation and to be prosperous must have large exportable surplus of highest quality which includes young manhood. These are our best world salesmen.

There are not enough well trained craftsmen being produced in Canada which necessitates importing skilled tradesmen in order to export high quality products. I suggest a combination training of craftsmen with university which would tend to reduce the necessity for imports and improve native skills for export goods.

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E. A. HORTON, Business Consultant, Toronto.

Although our universities have limited staff and facilities, our country should be graduating twice as many students, particularly in the sciences and business administration. Our future welfare demands immediate impetus toward the organization and staffing of private research departments across the whole field of Canadian industry. Well grounded university graduates, after some years of hard, cold, commercial practice, are excellent material. Now as a ranking industrial nation Canada needs many times the relatively small number of graduates who have risen to the top to help carry heavy burdens of development and research.

• • •

R. B. MATHEWS, Legal Counsel, British Columbia Electric Railway Co., Victoria.

To meet the competitive situation that will develop during the next five to 10 years, Canada as an exporting country must have highly trained men for all basic and manufacturing industries. Personnel managers all over the country are demanding university trained men and women to strengthen their organizations to cope with this situation. We are on the threshold of tremendous expansion and Canadian industry can and will absorb these men. We cannot have too many university graduates.

• • •

E. K. MARSHALL, Secretary, Manitoba Teachers Association, Winnipeg.

Just as all the physical training we can give cannot make everyone a top athlete, so all the university training we can give has in my judgment a limit too. Nevertheless, if high standards are maintained with thorough and exacting courses we are not likely to have too many trained men and women. Success in life depends partly upon such training, partly upon innate capacities and very much upon the ability to get on with people and situations. Students go to university for the development and informing of their own minds and we should not worry about our export trade in brains.

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WM. MITCHELL, President, Circle Bay Knitting Co., Kincardine, Ont.

Theoretically, a nation with a high percentage of its citizens well schooled should be at an advantage. Good schooling for those who can and will profit by it is the goal toward which we should strive. When the graduates who are attending Canadian universities at present are released on the public to find jobs there will probably be a period of flux and adjustment necessary. Eventually, however, this should right itself and the law of supply and demand hold.

In the meantime, we cannot and should not deny ex-service personnel the right to higher education if they are capable of profiting both themselves and later Canada by their further training and if they can regard their education as a means not only to procure jobs for themselves but also as a means to enrich their country.

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E. A. SAUNDERS, Secretary, Halifax Board of Trade, Halifax, N.S.

There appears to be an ever-increasing demand for well-qualified college graduates. Higher education is a definite asset for any young man to have and a background of inestimable value on which to work to make a success of his chosen vocation whatever it may be. It is my decided opinion that Canadian university graduates willing to work hard and apply their knowledge will be readily absorbed by Canadian industry and other fields of effort.

• • •

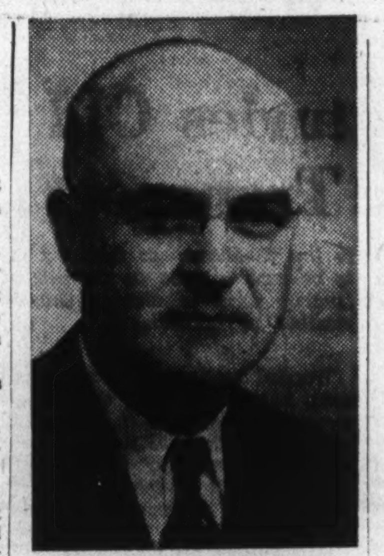
DR. T. THORVALDSON, Department of Chemistry, University of Saskatchewan, Saskatoon.

A utilitarian yardstick cannot determine the value to Canada of well educated farmers, businessmen, schoolteachers, civil servants and politicians. We cannot have too many of these. The demand for scientifically trained men and women for industry, research and our armed forces is beyond anything anticipated before the war. The same applies to our supply of graduates in the social sciences sadly depleted by depression and war. Canadians should welcome the present interest in higher education. The extent to which Canada utilizes her resources thus produced, will determine her future status as a nation.

• • •

ELLWOOD WILSON, Consulting Forester, Knowlton, Que.

Canada cannot have too many university graduates. Our general level of education is too low. Perhaps they may have trouble finding jobs, but university graduates, other things being equal, will do better than non-university men in any position, even manual labor. No man is educated who has only gone through high school. We need adult education badly.



MORGAN A. SNEDDEN

has been appointed sales manager of Ford Motor Co. of Canada's Mercury and Lincoln division.

Montreal 'Change Dividends Are Up

MONTREAL (Staff)—Stocks listed on Montreal exchanges showed a $4.8 million gain in dividend disbursements in July over the same 1945 month. Total was $22.1 millions. On a seven-months basis, however, dividend payments showed little change; $153.7 millions this year, $153 millions in 1945.

Bulk of July gain was caused by the increase from $1.25 per share to $2 paid by Consolidated Mining & Smelting Co., accounting for $2.5 millions in dividends improvement. Payments of $2.25 per share on Dominion Coal preferred accounted for another half-million.

Biggest dividend cut came in the pulp and paper group which distributed $1.1 millions in July ($1.6 millions in July, 1945). On a seven months basis, however, pulp and paper companies have distributed $11.1 millions or $3.1 millions more than in the corresponding 1945 period.

JAMAICA PUBLIC SERVICE LTD. and subsidiary companies report consolidated earnings of $1.45 per share common for the 12 months ended May 31, 1946. Earnings a year earlier were $1.06 per share (for the calendar year 1945 $1.31 per share). For May, operating revenues, at $155,080 $23,219 higher than in 1945: net income for the month totalled $27,159 against $22,711 in 1945. Biggest percentage increase during the month was in taxes, up 65% from $7,920 to $13,058.

It's in the Cards...

IF you check your facts and figures, you'll see that Canada is a country with a magnificent future. With her natural resources and progressive spirit, she has a potential greatness unequalled anywhere. It's all in the cards. Ready and eager to march along with and to boost this development is paper — the lifeblood of industry.

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Hollinger Drops Lease On Gillies Lake Group

The 99-year lease held on properties of Gillies Lake-Porcupine Gold Mines has been surrendered by Hollinger Consolidated Gold Mines because of inability of latter company to fulfill working conditions, due to labor shortage.

Gillies Lake officials are reported erty under its own management and control as soon as labor conditions are more satisfactory. In addition to the 760 acres, formerly leased, Gillies Lake owns the recently purchased 14 claims in Natal and MacMurchy twps., Ont., where a diamond drill is currently working under direction of C. S. Longley, chief geologist of Paymaster Consolidated Mines.

Refunding Issue

We offer as principals

$6,500,000

City of Windsor

2% and 2½% Serial Debentures

Dated June 30, 1946 — Maturing June 30, 1947 to 1956

Principal and half-yearly interest June 30 and December 31, payable at Canadian Bank of Commerce, Windsor, Ontario.

Callable on any date prior to maturity at 100, as a whole or in part, in reverse order of maturity on 30 days' notice.

Denominations: $1,000

The Debentures will be a direct liability of the City of Windsor and will be issued in denominations of $1,000 in coupon form, with provision for registration as to principal. The Validation Certificate of the Ontario Municipal Board will be endorsed on each Debenture.

These Debentures have been approved and validated by the Ontario Municipal Board.

Schedule of Maturities

Maturity June 30th	Interest Rate	Amount	Maturity June 30th	Interest Rate	Amount
1947	2%	$750,000	1952	2½%	$600,000
1948	2%	$750,000	1953	2½%	$600,000
1949	2%	$750,000	1954	2½%	$600,000
1950	2%	$750,000	1955	2½%	$600,000
1951	2½%	$600,000	1956	2½%	$500,000

PRICE: 100 and accrued interest

The proceeds of this issue will be applied towards the redemption of the entire amount of the City of Windsor 4% debentures now outstanding, and to the retirement of $2,811,004.23 3½% debentures maturing in the years 1947 to 1955 inclusive, being an aggregate amount of $6,504,283.66.

It is expected that these Debentures will be available for delivery on or about August 10, 1946.

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CHATHAM OSHAWA GANANOQUE ONTARIO

Newfoundland Newsletter

Newfld. Fish Trade, Centuries Old Modernized by Airplane Transport

Businessmen in Newfoundland as a rule can relax during July, a month which sees completion of the fishery supply business, a generous number of national and commercial holidays, and a general feeling that both employer and employee should avail of the short summer season for an annual vacation.

An unexpected cold and foggy second week of July caused great activity among the shore fishermen in many parts of the Islands as the caplin arrived on the beaches to spawn in vast numbers. Following these little fish the hungry cod likewise came in quantity. The fish-filleting plants received most of the catches and are working overtime preparing the fish for export.

The centuries-old fish export business of Newfoundland came strictly up to date recently when a plane of the American Airways System landed two tons of fresh fruit at Torbay Airport and received for its return cargo, 1,500 pounds of fresh salmon and cod fillets shipped by a St. John's firm. Likewise at Lewisport an enterprising businessman is collecting 2,000 lb. of fresh lobster per day for export to Boston. It is hoped that this five-hour service between Newfoundland and Boston will give to the American market a high-class fish product and as the enterprise develops, to Newfoundland a more active fresh fish business.

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Native Sons Home On Visits Again

For the first time since the war Newfoundland is playing host to hundreds of native-born Newfoundlanders who have come from Canada and the United States to spend vacations with relatives and friends. Publicity given to their old homeland during the war years has induced many to return after long absences. In addition to such visitors, land, sea and air transportation is crowded with tourists.

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In spite of difficulties in obtaining material, and the high cost of construction, numerous new buildings and private homes are being built during the present season. In line with the development of Public Health services, a new sanatorium is being erected at Corner Brook, on the West Coast. J. L. Price, president of J. L. E. Price & Co., building and engineering construction firm of Montreal and Toronto, visited Corner Brook recently, to make final arrangements.

The St. John's Housing Corporation, financed by both the Government and the St. John's Municipal Council, has made a vigorous attack upon the housing shortage in St. John's. Approximately 100 houses will be ready for occupation before fall and several large apartment buildings are under construction. The corporation is holding an area of land almost equal in size to the present city of St. John's.

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Three Air Freedoms For Gander Post

Gander Airport, known to thousands of airmen of the United Nations during World War II, is now under control of the Newfoundland Government, except for meteorological services, which are still being operated by Canadian personnel.

A town of approximately 2,000 inhabitants is now a busy centre at Gander. The Government announced recently that the "third and fourth freedoms" are now applicable at Gander and that the "fifth freedom," the unrestricted right of planes of any nationality to pick up or set down passengers in any country, would be effective very soon. British Overseas Airways inaugurated its transatlantic air service this month with the new "Constellation" planes. Torbay Airport, near St. John's, is not included in the "freedoms," as this port is to be used only as an alternative landing place to Gander should weather be unfavorable.

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Worried by frequent destructive forest fires this summer caused by locomotives, Manager H. J. Russell of the Newfoundland Railway surveyed the possibility of changing locomotives to oil-burning. Apart from saving widespread destruction to forests, oil would be less costly, it was believed.

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Labrador Logging May Employ 3,000

The visit of A. N. Orsher, president of the Stag Day Labrador Lumber Corp., to St. John's has given rise to hope that timber operations from Labrador may give employment to 3,000 men. It is reported that Mr. Orsher brought with him a confirmed letter of credit for more than $1 million and has other credits available.

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Dr. A. K. Snelgrove, consultant geologist to the Newfoundland Geological Survey, arrived here recently from New Brunswick. Following a visit to the West Coast to inspect diamond drilling operations at Boswarlos, Port au Port, he will go to Canada to join T. L. Tauton of the Canadian Geological Survey, and A. V. Dufresne, Deputy Minister of Mines for Quebec, for an inspection tour of the exploratory work in the iron ore area in Labrador and the adjoining area in Quebec.

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Revaluation of the Canadian dollar has caused considerable loss to certain business interests in Newfoundland. At the time of the change a considerable amount of UNRRA herring was still unshipped. It was estimated that 100,000 barrels were practically ready for shipment. On some of these barrels the exporter stands to lose nearly two dollars per barrel. The loss to business will, however, go farther than this. Exporters of many other products to the United States will notice the effect of this exchange pronouncement.

Bracken Stand Solidifies Party Strength in House

OTTAWA (Special) — After months characterized by hesitation and inconsistency, the Progressive-Conservative Opposition in the House of Commons is gradually emerging with two plainly discernible colors nailed to the party mast.

1. It has become the anti-socialist group in Parliament, a position which makes many Liberals, even cabinet ministers, look with some envy across the floor of the House.

2. It has established itself as the provincial rights party.

To some extent, the two stands are correlated. The federal system has been described as the bulwark against socialism and with some justification. It would be a difficult job for the CCF or any other party to put a full-fledged socialist program into operation while provincial governments thought differently and held their present measure of autonomy.

In any event, if the Opposition group plays its cards carefully and holds to this dual line, it can considerably strengthen its political fences before election time rolls round. It may be that this which is kindling a somewhat happier light in Tory eyes than was seen a few months ago when Mr. Bracken, aided and abetted by a few stalwarts, bit off far more than his party as a whole could chew in his demands for hasty decontrol of prices.

Tories Can't Lose

His move in making his pronouncement on the Dominion budget proposals to the provinces, while it finds a few dissident and diffident members in the group, is, on the whole, more popular. While his stand is something between that of Ottawa and that of Ontario-Quebec, it is sufficiently near the provincial case to make his followers see possibilities of improving their position in Quebec, British Columbia and perhaps the Maritimes.

Mr. Bracken proposed that the Government call another Dominion-Provincial conference and amend its proposals:

1. By relinquishing the minor tax fields, particularly gasoline and electricity tax.

2. By establishing a central committee on Dominion-Provincial relations to plan for the time when agreements signed now would expire.

There were many within the group who were agreeably surprised, first at Mr. Bracken's taking a stand at all after his year's silence on the Dominion-Provincial issue and secondly, that he should put the party in a position where it could unfurl the banner of provincial autonomy. If by any chance the stand of the Progressive-Conservative chief should, as Mr. Bracken quite sincerely hopes, bring a rapprochement, it is argued that it would do the party no harm. If it doesn't, there are those who see good election ammunition in reserve. In fact, in some quarters the hope is even expressed that the Government might advance election time, so that it won't be forgotten. There is no means yet of copyrighting a political party platform.

Neither Party Wants CCF

Meanwhile, there is a growing determination within the group to keep its skirts clean of CCF-fraternizing. On the first budget vote the group lined up with the Government to defeat the CCF amendment and Gordon Graydon, Progressive-Conservative member for Peel produced one of the choice gems of last week's debate when he warned the Liberals that they were being regarded by the CCF as the political John the Baptists, making straight the way and the rough places plane for the onrush of Socialism. There is nothing which so delights the heart of a Progressive-Conservative today or for that matter makes many a good Liberal squirm, as the frequent support for Government legislation from the CCF benches.

In these instances, the more generous-minded of the Tories are inclined to have a good deal of sympathy with the Cabinet. They know that transition from wartime to peace must be an evolution necessitating continuance for a time of many of the control measures they are criticizing. They know, also, that the postwar economy involves some permanent features of regulation and socialization and that the Government, in adopting some of its measures, is merely accepting the inevitable with no credit or blame to itself. In private, these Tories are ready to look at their embarrassed Liberal colleagues in the House and say: "There, but for the grace of God go I."

However, on the political front the Progressive-Conservatives are not likely to be backward in the next few weeks, as the session drags to what now looks like a Labor Day prorogation. For a good part of this time the Prime Minister will be in Europe and the Bracken group is not likely to lose many opportunities of putting the leaderless Government in the wrong. Mr. King's absences make it quite apparent how much power the 71-year-old Prime Minister wields over the House of Commons. His departure last month brought a revival of scenes which have marked his absences in the past and which resemble nothing more than a class of noisy schoolboys when the teacher steps outside the door.

See General Exodus

This sort of thing doesn't hurt the Opposition groups, but in thoughtful Liberal ranks it raises the question of the indispensability of Mr. King, a question which becomes more important as the day of his retirement approaches. The retirement also may coincide with a general cabinet change which may alter the whole picture of Liberal Government. Mr. Ilsley, Mr. Howe and Mr. St. Laurent are all numbering their own days in the Cabinet.

If they go within the next year, and Mr. King carries out his announced intention of retiring, it would remove the phalanx of right-of-centre-Liberals from the Cabinet and, depending on Mr. King's successor, might change the party's whole complexion. Logically, also, it could mean an election before the end of 1947.

However, coming back to the more immediate future Mr. King's departure, to be followed, probably this week by Mr. Ilsley's, is likely to mean increased needling of the Government and, to say the least, does not increase chances of prorogation before September.

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The Financial Post

Vol. XL | Ten Cents an Issue, Five Dollars a Year | Publication Office: Toronto, August 10, 1946 | Member of Audit Bureau of Circulations | No. 32

Credit Sales Booming Again But Customers Better Risks Now

When the Government put restrictions on charge accounts and installment purchases during the war, it did so to discourage the purchase of luxury goods, check inflation and encourage victory loan investment. Now that the war is over, it turns out that the restrictions accomplished something else as well. They taught Canadians better "credit manners" and merchants across Canada are still reaping the benefit of those wartime regulations.

A check of credit and installment buying in 11 Canadian cities this week showed that, although consumers are beginning to expand their purchasing with the help of personal loans, charge accounts or installment buying, they are:

(1) Paying their bills promptly and regularly;

(2) Still paying cash for all but major durable goods purchases;

(3) Making larger down payments than the law requires;

(4) Living well within their means.

Freer Credit Transactions

At the same time the trend in all sections of the country is to freer transactions. Credit managers in department stores report charge accounts increased in both number and dollar volume since the first of the year. Increases range from 10% to 40%. Banks and loan companies find their business brisker and there is a noticeable trend to more installment buying. So far, however, there is no indication of a return to the days when it was smart to be "up to your ears" in debt. Most applications for credit suggest careful budgeting and a proper appreciation of the responsibilities involved. Here is the coast-to-coast picture:

The Maritimes: Businessmen report that money is still free. Halifax's largest department stores are doing a brisk trade without any perceptible change from cash to a credit basis. Charge accounts have been increasing gradually, in a "natural" way over the past few years, one leading merchant reports. Borrowing from banks and loan companies has been chiefly for the purchase or renovation of property and seldom for personal emergencies. One of the largest motor-car dealers says that 98% of his sales are for cash. His only "credit" transaction in the past month was with a customer who paid $1,000 down for a new car and asked 30 days to pay a balance of $700.

In Prince Edward Island retailers report sales up as much as 25% this year, but the proportion of charge to cash sales has increased very little. They praise WPTB regulations and are keeping their own rules just as strict or stricter, keeping in force themselves some regulations that have been withdrawn. Automobile dealers have had practically no car sales on the installment plan to date. Usually able to pick their own customers from among priority holders, they are choosing cash customers, except where necessary to accommodate old friends or those likely to come back with repeat orders.

Quebec: - Personal loans from banks are on the increase. Main reasons advanced by borrowers are to meet income tax payments, purchase of fuel (many believe coal and wood will be scarce this winter) and payment of hospital and doctors' bills. Payments are being met regularly. Charge accounts in bigger Quebec City stores are growing and in some cases credit managers are actively seeking new accounts from among their best cash customers of the past.

Department stores in Montreal report that installment buying took a great spurt in the first quarter of 1946 due chiefly to a temporary influx of war surplus goods.

While installment buying appears to depend largely on the amount of merchandise available other types of credit such as loans made by finance companies and personal loan departments of banks have increased substantially over pre-war years. Some of the increase in loan company business is said to be due to a curtailment of other sources of buyer credit.

Ontario: Personal loans are growing, but big department stores say they don't see much expansion in credit sales yet. Apparently, in Toronto at least, it's still the fashion to pay cash and "many people who might be expected to be buying on credit are still paying for their purchases out of their pocketbooks," in the words of one department store official. Merchants generally report good collections and little difficulty in servicing accounts. Car buyers, too, are paying cash in most cases.

In the Niagara district, bank managers say there has been no great increase in the number of personal loans. At the same time, the credit manager of a large retail store reported an increase of 58% in the amount of charge accounts. A district credit bureau manager said credit business was up 50% and would double that if more merchandise was available.

Windsor stores have observed an increase in installment buying, and the banks there say the number of personal loans began increasing in March. Windsor car dealers say not more than 15% of new car sales are financed, the rest are paid for in cash.

Chartered banks and finance companies report an upward trend in the small loan business in Toronto and Ontario generally. The dollar volume of loans is increasing more rapidly than the number, which is attributed to higher prices of merchandise.

The Prairies: In Manitoba there is a tendency to greater use of credit in cities, but there seems to be a big backlog of savings in rural areas. Many farmers are having their farms hooked up with the Manitoba Power Commission rural electrification network and paying cash for the wiring. They are also paying cash for what electrical appliances they can buy and have cash ready for others when they are available. In urban centres the growth of new householders presents a different credit picture. Since the first of the year there has been an increase in the number of personal loan accounts at leading banks. Most are to make up the cash payment on a home, pay for furnishing it or to make repairs. Since Jan. 1 there has been a drop of from 10% to 12% in the proportion of cash sales and a corresponding increase in charge or installment accounts.

May Continue Controls

Saskatchewan merchants report charge accounts up 10% in volume, but no noticeable increase in personal loans. Building and consolidation of debts are main reasons given by borrowers. Credit managers believe most retailers in the province favor continued credit controls similar to those now in effect and there is a strong likelihood that the province will enact credit legislation to this end once WPTB regulations have been dropped. Auto dealers report 90% of the cars sold to date have been paid for in cash.

Credit buying and personal loans are both increasing in Alberta, with the upward trend particularly noticeable during the past six months. Although money still seems to be free and there is a healthy backlog of war savings, credit men think the peak of cash purchases has been reached. Charge accounts and installment purchases are up slightly and collections a bit more difficult than during the war. Write-offs of bad debts are reported back to the 1939 level. Furniture men are noticing a greater desire for time to pay.

British Columbia: Vancouver bank managers report a slight increase in requests for personal loans and department stores report both charge accounts and installment buying are in the midst of a definite spurt. Main reason, they say, is that more and more people are buying "heavy" commodities which cost them more than they are prepared to pay in a lump sum. Department stores report a sharp increase in demand for home furnishings and appliances in $200 to $300 price class. Most stores have begun campaigns to attract more installment customers. But, while credit buying is up, it is still far behind cash buying, which is running at a terrific clip.

More Newsprint To South Africa And Australia

MONTREAL (Staff) — Canada is continuing to export approximately 90% of her newsprint; 87% is going to the United States, DBS reports.

Exports to Australia in the first six months of 1946 are up from 35,959 tons in the 1945 period to 55,057; and to South Africa, up from 13,774 tons to 17,026. Exports to the United Kingdom remained practically unchanged with 43,969 (44,627 same 1945 period). Exports to Central and South America dropped from 67,591 tons to 63,139.

Promise Bumper Fruit Crop For Housewives, Canneries

By HUGH AGNEW

Here's he first-week-in-August score on the Canadian canning crop situation. It adds up to the prospect of one of the best years ever. Crops are big, prices are good.

For big and little town merchants, doctors, preachers, dentists, insurance men, equipment manufacturers, this all spells good news. But most of all it means abundance for housewives and canneries who had a lean time of it last year.

In contrast to the condition of commercial fruit and vegetable crops in Canada at this time a year ago, July-end surveys give a much-improved picture. Here are some comparisons:

Apples—More than double last year's yield with 15.6 million bushels in sight; Nova Scotia's increase five-fold, Ontario's threefold.

Peaches — Much better quality fruit ripening and harvest likely to be nearly a half-million bushels heavier than last year.

Pears — A complete failure last year in Ontario, province's orchards will produce about one third of a normal crop this year. But in British Columbia, largest pear crop ever grown (590,000 bushels) may be harvested.

Cherries—Four-fifths of a normal crop. This means a yield three times bigger in Ontario this year than last. British Columbia cherry growers, hit by wet weather during harvest, picked only two thirds of last year's crop.

Plums, Prunes, Apricots — Last year's yield was 573,000 bushels, this year's 763,000 in prospect.

Strawberries, Raspberries—Yields of both slightly lower than last year due to unfavorable weather during maturing periods.

Vegetables—Tomatoes, peas, corn, beans, asparagus, all average to above. Weather generally favorable in sections where these crops are grown for processing. Grocery and food market shelves ought to be well-stocked with these canned goods next winter, with the exception of asparagus. The pack of this crop was small in Ontario because growers sold most of it on the open market, attracted by higher prices for fresh asparagus.

Financial Post correspondents report local conditions as follows:

This promises to be a banner year for Nova Scotia's fruit and vegetable growers, with expectation of a million-and-a-half barrel apple crop and record potato production. Late July rains have done much to make up for four preceding dry weeks. Britain has contracted to buy 300,000 barrels of apples at an average price of $5.

For first time a sizeable portion of the Annapolis Valley crop will be box-packed for the domestic market by United Fruit Companies' new cold storage plant at Coldbrook, which opens about Sept. 1. Another forward step this year has been the first organized effort to thin out apples on the tree to get higher percentage of No. 1 apples.

"I think we have prospects for the largest potato crop in provincial history," said L. V. Chapman, co-ordinator of services, N. S. Dept. of Agriculture. Last year's potato crop 1,904,000 cwt. fell far below 1944 figure 3,075,000 cwt.

Bean canning will start early in August, and canners are reported paying more for green beans than in 1945. (Early figures indicate about $70 a ton.) Outlook for all vegetables suggests a good year, given a reasonably substantial moisture in early August.

Prince Edward Island's vegetable crop is developing satisfactorily. Dry weather has not seriously affected root crops, and no blight or disease has been reported so far. The potato crop, at 50,000 acres, is 15% greater than last year which was also 15% over 1944. Prospects for turnips and other vegetables are good, with no increase in production over the last two years anticipated.

The Prairies

Despite early frost in some regions, Alberta's vegetable crops promise to be considerably in excess of past two years; prices to be lower than in any years since 1939. Larger export of Alberta potatoes to Saskatchewan, Manitoba and to a lesser extent to British Columbia is expected this fall.

Manitoba's vegetable crop will likely be 20% to 30% below that of the past two years, but the cash value to producers is very little less because of higher prices. In the market gardening area, the early vegetable crop was wiped out by mid-May frosts. Gardeners were able to replant, but dry weather for a month after resulted in poor germination. What did get above ground was badly damaged by the most severe attack of cutworms in 20 years. The onion crop is nearly a complete failure.

Value of commercially grown garden produce in 1945 was $2.9 millions (1944 crop $2.8 millions). Preliminary estimates for 1946 stand at about $2.6 millions.

In 1945, defoliation of Ontario orchards threatened to kill off thousands of trees and no tree fruits were harvested in anywhere near normal quantities. So few apples were picked (551,000 bu. against a normal 2.2 million bu.) that apple pie-making was in danger of becoming a lost art and housewives didn't even have a chance of experimenting on apple pan dowdy.

But this year's apple crop, while still about 25% below normal, or about 1.5 million bu., will be ample to meet all domestic requirements. The only Ontario fruit at all plentiful last year was peaches, and even that crop was 19% below normal. This year peach orchards are in first-class condition with the Oriental Moth under control and an above-average pick of about 1.23 million bu. of top-quality peaches in prospect.

The only fruit yield above average in Ontario last year was grapes, and this will again be good this year (31,336 tons estimated).

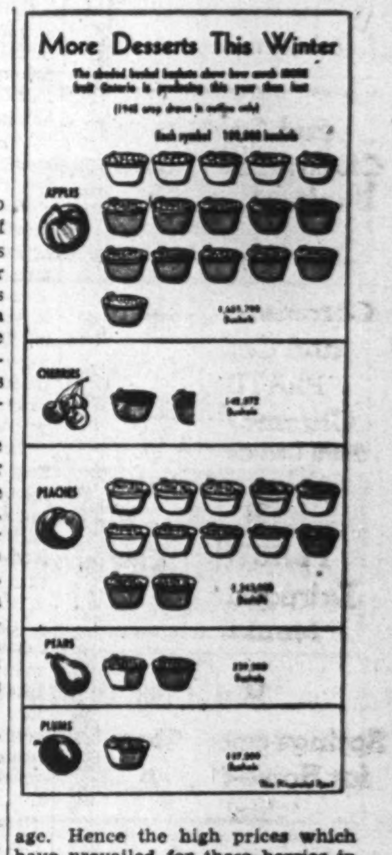
Ontario sweet and sour cherry crops in 1945 ran 65% and 89% below average, respectively. This year's yield of both types is forecast at within 25% of normal. The only tree fruit crop which was a failure last year and which will not be much better this year is pears. The 1946 yield will not likely run much above 65% of normal. Plums have come back to within 25% of normal.

More Vegetables Due

Acreage of all vegetable canning crops have been substantially increased in Ontario this year over 1945 and latest reports indicate yields will be average to above-average. Canneries will probably absorb 216,000 tons of tomatoes this year (144,000 tons in 1945); nearly 25,000 tons of peas (19,412); 36,500 tons of corn (27,373 tons).

Raspberries Scarce

This year's Ontario strawberry crop came almost up to normal in both quality and quantity in spite of unfavorable amounts of rain and sun during June. The raspberry crop, still being picked, is not expected to run within 30% of average. Hence the high prices which have prevailed for these berries in Ontario this year. Strawberry and raspberry jam may continue scarce this winter. Jam-makers are said to have bought little because prices were too high for profitable handling under current canned goods ceilings.



Not all Ontario has had ideal weather. Essex and Kent have been alternately wind-swept, frost-bitten, flooded, and torn by tornadoes. The Erieau marsh farmers got the worst of it all. Gales blew the seed out of their fields in April. Frosts clipped young plants from the second seeding. Then floods drowned out the third planting. Now the Erieau farmers are watching fourth-planting carrots, beets, beans and corn come along and hoping they'll mature before the late September frosts. Elsewhere in the southwestern Ontario market garden so badly treated by the elements this year, early estimates of crop damage appear to have been pessimistic. At the end of July, the Ontario Department of Agriculture said "recovery has been excellent."

Tobacco Growers Fear They'll Lose U.K. Market

Ontario growers of flue-cured tobacco expect to harvest a record 90 million lb. crop this year. If they get the 35c. a lb. for which they hope, they stand to take in $30 millions. That ought to make the tobacco growers happy, but it doesn't completely.

They want to export 20 million lb. of their crop, but Ottawa has set the 1946 export quota for them at only eight millions. The growers fear this may cost them a big slice of the export market they worked so hard to build up before the war.

"If we don't take care of the British market now," one grower told The Financial Post, "the British will go elsewhere for their needs. We can't afford to lose our foothold, even if this country's stockpile is low today"

The export record points up the dilemma facing tobacco men this year. Exports gradually increased up to a peak of 31 million lb. in 1939. Wartime production problems, labor problems, shipping space, quotas, fertilizer shortages, kept them down during the war. Britain wants much more Canadian leaf than she has been getting. Growers feel that this year of good crops is the time to consolidate their position in the export field.

Curing Is Immediate Problem

The export problem, however, is largely academic, since there is little likelihood of present quotas being revised. Of more immediate concern to tobacco men is the problem of getting their expected record crop properly cured for market.

A year ago growers had their hands full trying to process a 71 million lb. crop with the kilns they had then. This year, with more than 100 extra farms spread through Norfolk and Elgin growing bright leaf, a few others in Brant, Oxford, Kent, Durham and Simcoe, they need an additional 1,500 kilns to handle the larger crop. Getting those kilns built has been a continual struggle. Nails, lumber and galvanized pipe were all bottlenecks.

Now, with harvesting due to begin about Aug. 10, the labor problem is their chief concern. Two thousand southern "curers" are being brought in from Georgia, the Carolinas and Virginia on temporary work tickets. They will get $60 a week and board, plus transportation to Canada and back.

It is native labor about which the growers are worried. Primers, leaf handlers and stringers are needed in larger numbers than ever. Last year they paid primers (who pick leaves as they ripen) an average of $8 to $10 a day. Handlers got $6 and stringers up to $8. This year there is talk of primers asking for $12 a day, with corresponding increases for the others.

Hope For Heavy Rain

Optimists among the growers look for heavy rains during the first two weeks of August. These would boost the average yield to 1,100 lb. an acre and to perhaps 1,200 lb. in better crops, they say. Nobody talks about the possibility of an early September frost—there was one in 1940, which left a third of the crop frozen stiff in the fields.

Up to 1942 the grower's association applied acreage control to prevent overproduction and to ensure a profit for those who had been in the game a long time. But every year there were always a few new rugged individualists who grew tobacco whether the association wanted them in or not. Because of a constantly enlarging market for Canadian flue-cured tobacco, the new growers were always absorbed in a year or two and since 1942 the association has made no attempt to limit the number of new growers, nor the acreage. Few see little chance of acreage control returning to vogue until after 1950.

"We're certain we'll be able to sell for cash all the tobacco we can grow for the next three or four years at least," says J. K. Perrett, Simcoe, managing director of the growers' association.

Which probably explains in a nutshell why the association, which started off with about 680 members in 1934, has now grown to a membership of more than 3,000 growers who produce more than 95% of Southern Ontario's crop. They don't take their lead from the flue-cured growers of the Southern States, but they keep close tab on what goes on down there. They have observed that this year U. S. growers produced a record 1,274 million lb. crop and that they are counting on selling at least half of this abroad.

"There's no reason why, with Empire preferences favoring us and the quality of our leaf so much improved during the past eight years, we can't produce a crop proportionately as large as the Americans and do as well on the world market," was the view expressed by one grower.

Ontario Moves to Assert Union Law; Charges Laid Against Picket Officials

By CLIVE CHATTOE

Described by the Ontario Attorney General's Department as a move to "reassert" the law regarding picket behavior, members of two striking unions have been charged with breaches of the Criminal Code of Canada.

Trial of two officials of the United Mine, Mill & Smelter Workers, arising out of the strike at Anaconda American Brass, was held in New Toronto last week, with judgment reserved until Aug. 12. In the same week charges under sections 501 and 573 of the Criminal Code were laid in Windsor against three members of the United Automobile Workers of America (CIO), with hearing scheduled for Aug. 15. The charges arise out of incidents connected with the current strike against Chrysler Corp. of Canada.

Gains Ground Outside

Pending in Montreal, Vancouver, Port Colborne and Hamilton, are police court cases against officials and pickets of AFL Typographical and Seamen's unions, arising out of alleged illegal picket action against Great Lakes shipping operators and the Southam newspapers, Vancouver Province and Hamilton Spectator.

The law governing picket behavior has been on the statute books for decades incorporated in Section 501 of the Criminal Code of Canada. Here it is in full, together with the related Section 573:

No Violence, Threats, Following

501. Every one is guilty of an offense punishable on indictment or on summary conviction before two justices and liable on conviction to a fine not exceeding one hundred dollars, or to three months' imprisonment with or without hard labor, who, wrongfully and without lawful authority, with a view to compel any other person to abstain from doing anything which he has a lawful right to do, or to do anything from which he has a lawful right to abstain:

(a) uses violence to such other person, or his wife or children, or injures his property; or

(b) intimidates such other person, or his wife or children, by threats of using violence to him, her or any of them, or of injuring his property; or

(c) persistently follows such other person about from place to place; or

(d) hides any tools, clothes, or other property owned or used by such other person, or deprives him of or hinders him in the use thereof; or

(e) with one or more other persons, follows such other person, in a disorderly manner, in or through any street or road; or

(f) besets or watches the house or other place where such other person resides or works, or carries on business or happens to be or; (exception)

(g) attending at or near or approaching to such house or other place as aforesaid, in order merely to obtain or communicate information, shall not be deemed as watching or besetting within the meaning of this section.

. . .

573. Every one is guilty of an indictable offense and liable to seven years' imprisonment who, in any case not hereinbefore provided for, conspires with any person to commit an indictable offense.

These are the clauses of the Code which were cited in a complaint laid last week by Windsor Police Chief Claud Renaud on advice of Essex Crown Attorney E. C. Aurey under which George Burt, Tom MacLean and Harry Rooney, United Automobile Workers officials are to appear on labor conspiracy charges. The charges state that the three did "within six months prior to July 31, 1946, unlawfully agree and conspire together, and with others, to commit the indictable offense of seeking to compel employees of Chrysler Corp. of Canada to abstain from working for the corporation, which they had a lawful right to do, by besetting and watching the plant of the said corporation . . ."

Eyes on Anaconda

Meanwhile, it is upon the Anaconda case that the attention of strike-conscious Ontarians has been fixed.

Anaconda's "besetting" trial in the 13th week of the strike involved Bernard T. Doherty, union organizer, United Mine, Mill and Smelter Workers CCL-CIO, and Jack Stewart, union local president.

Doherty, 36, and characteristically jaunty, acted as his own counsel and took his job seriously. Sole witness for the defense was Doherty himself.

The charge against Doherty and Stewart, on information laid by Provincial Police Inspector William Clark, is that they "beset and watched" the Anaconda plant with a view to preventing Anaconda officials from carrying on their lawful employment.

Here are excerpts from reported proceedings:

Cecil J. Snyder, deputy Attorney-General, who conducted the prosecution against Doherty and Stewart, told the court the Crown's case was based on a Supreme Court of Canada decision made by the late Mr. Justice Armour which, he said, "binds every court in the land." He regretted the Anaconda trial had been called a test case.

"It is not so," he said. "We regard the law as settled in this regard. There can be no interference of any kind by picketers which would prevent people going to their lawful work in strikebound plants."

"Interference" Illegal

Peaceful picketing, on the other hand, he said, had been defined before the Ontario Supreme Court. Chief Justice Rose, he said, had quashed a conviction against picketers because they had not tried to prevent entrance to the theatre but simply walked up and down in front with signs painted on their raincoats. "That's peaceful picketing; the kind carried on at Anaconda is not."

Terms Passes Improper

The prosecutor questioned in strong terms the propriety of unions "authorizing" specified people to pass picket lines. Pointing to a Crown exhibit, a pass signed by Stewart, he said the latter had issued such passes "authorizing" certain people to enter a plant which belonged not to him but to the company. Mr. Snyder referred to "the audacity of anyone issuing a pass of this kind to a man who has been employed in this factory for 21 years." He recalled the saying that every man's home is his castle and said: "I think the same principle applies to this plant where 1,300 were employed. It is difficult to realize that anyone would try to issue such a pass in this country."

Suggests Crown Careless

Claiming "discrepancies and contradictions in evidence of Crown witnesses regarding (his) presence in many places among the pickets, and (his) shouting at short distances," Doherty claimed many witnesses had admitted they hadn't actually asked to be allowed to enter the plant. He denied anyone had been "forcibly refused" admittance.

Asserting the Crown had made out no case that either he or Stewart had been guilty of violating the "besetting and watching" clause of the Criminal Code, Doherty made this statement: "If the charges had been laid differently and more specific instances quoted, there might have been a possibility they could have been proven," adding hastily, "but under these informations there is not that possibility."

Crown witnesses testified that both Doherty and Stewart had earlier admitted that they knew their actions were illegal.

Richardson, first Crown witness, said Stewart on May 18 (opening day of the current strike) "interfered" with Manager Vanderploeg's effort to take a mailbag into the plant. Asked by Richardson if he knew he was interfering with government mail, Stewart, according to witness, said he did.

Richardson said he'd been able to get in May 18 with police assistance but next day was blocked by pickets. Foremen Murphy and Jones also told of being "pushed back" and otherwise blocked in several attempts to get in on June 26.

Provincial Police Inspector Doyle testified that on June 26, finding 150 other pickets on Eighth Street near the plant, he had asked Doherty to have them dispersed and leave only a "reasonable" picket line. "Doherty asked me to meet with his committee and I refused. I pointed out that mass picketing was a nuisance, that the highway was being blocked and gave my opinion that what they were doing was illegal."

"I Know, Inspector"

Doherty replied, according to witness: "'I know, inspector, that what we are doing is illegal.'"

Evans, next prosecution witness, said that on June 21 at the then temporary office of Anaconda in the Sagamore Hotel, Mimico (office since moved to Royal York Hotel, Toronto), he had been approached by Doherty who, witness testified, referring to a detachment of provincial police waiting in the hotel lobby, said: "'If you get that bunch of schoolboys up to the plant to take strikebreakers in, there will be some cracked heads. We have cracked heads before and we can do it again.'"

"I told him he was breaking the law and he said he knew it but that was the only way they could get the Government to revise wage regulations."

Manager Vanderploeg testified he had been denied admittance May 18. He said he found 300 to 400 persons filling the plant driveway and, when he made his way through the crowd to a pass gate, found it locked. As he asked a company guard to open it, a crowd of pickets including Doherty and Stewart, he said, moved in front of the gate. One said, witness testified: "'Sorry, Jake. Can't let you in. This place is on strike.'" Witness said that when he asked the picket why he was being denied admittance, he was given the answer: "'Union orders.'"

(General Foreman Leslie Thomas of the Anaconda cast shop later gave this version of the same incident: It was Stewart who barred the way. Vanderploeg, told that this was by union orders, asked Stewart whether this was law and order in Canada and allegedly was told that it was, "for today.")

British Exports Likely to Rally

British Board of Trade figures for exports in June showed a drop from the May high of £85 millions to £65 millions. The drop was not unexpected (The Financial Post, July 20). Bank holidays and V-E celebrations gave Britain fewer production days and interfered with ship loadings. Considerable improvement is expected in July figures.

Tourists

'Second Summer' Can Pay Big Dividends to Canada

By ROBERT R. ROBINSON

"Second summer" is just around the bend in the calendar, or it should be, the travel men say. And this second summer needn't blossom only beneath Florida and California skies. Canada can cultivate her second summer too, and sell it to the tourist who enjoys crisp autumn air, rich-toned landscapes, good motoring, good hunting, freedom from hay fever.

But educational work must be done at both ends of the stick. Summer resort operators, used to putting up their shutters by Sept. 15 in most parts of Canada, must be taught that there's gold in the golden autumn leaves. People with time and money to spend must be led northward along the leaf-strewn trails.

Resort operators won't extend their overhead expenditures just because someone says it might be a good idea. They've got to be shown that the extra costs will be justified. And Americans won't venture into the unknown northland in September and October unless it is made clear to them that they will be greeted by something more hospitable than grizzly bears and hip-deep snow. It will take a man-sized advertising effort to convince many late American vacationists that they will not be attempting their own Operation Muskox if they come to Canada after midsummer.

The States Surveyed

There are literally millions of late vacation-goers in the United States this year, a recent American Express Co. checkup shows. But reports are that the middle-latitude states will likely get their big play, Canada comparatively little. There's still time for a concentrated effort aimed at the known market. Known market? Well, here's what U. S. resort men are planning for the fall:

New York State—85% of all resort hotels with 53% of midsummer capacity will remain open throughout September, 69% with 44% capacity open in October.

North Carolina—Resort areas will operate into October, remaining open 30 to 60 days longer than usual.

New England States—Maine, New Hampshire, Massachusetts and Vermont resorts report heavy bookings for September.

Colorado—Dude ranches will remain open until October, many resorts already taking reservations to Oct. 15.

Minnesota — Approximately 85% of northern Minnesota's 600 resorts will remain open throughout September.

Wisconsin — Lively reservations for September and October.

Michigan—September and early October reservations coming in.

West Virginia—State parks and many resorts will remain open throughout September and October.

Oregon — Reservations for September and October already.

California—Expects a big holiday season from September to the end of November.

Pennsylvania — Many hotels and resorts are expecting record business through September and October.

Predictions for the heaviest late vacation season on record cover all 48 states, according to Garth Cate, travel director for Scripps-Howard papers and chairman of the U. S. Victory Vacation Year Committee.

There's the market (U. S. Labor Department reports 30 million Americans receiving vacations with pay this year), and there are the resorts preparing to cash in on it. Canada had better get busy if most of those tourist dollars are not going to stay right at home.

We've had a good tourist year to date—124% increase over 1945 in traveller's vehicle permits issued during the first six months—but this is no time to slacken off our efforts. Every resort committee, hotel association, motor club and transit company in the U. S. is going all-out to turn that autumn tourist dollar, so Canada has to face up to the competition. It's a big money game, and we're going to have to buy big money chips if we're to stay in. The winning chips in this game are advertising, propaganda, education in the U. S. and across Canada.

Our Resort Picture

Here's how the autumn scene looks in Canada today.

Prince Edward Island—Resorts booked 100% for August, 75% up to Sept. 15, most closing Sept. 15, except hunting lodges.

New Brunswick—August booked to capacity, but fall business smaller, largely for hunters only.

Nova Scotia—August booked solid in all large resorts although some smaller places along south shore complain of slow business. Most close by mid-September, in spite of government promotion stressing fall tuna fishing tournament and hunting.

Ontario — Most resorts booked 100% for August; those staying open through September are already booked up to 50%

Manitoba—Apart from regular year-round hotels, the province's limited tourist accommodation has been booked solid to the end of August, accommodation in the bird-shooting areas is expected to be taxed to its limit during last half of September and throughout October — (advance enquiries indicate that more hunting licenses will be issued to nonresidents this year than ever before).

Saskatchewan — Resorts booked

(Continued on page 17)

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Stock Market Analysis Simplified If Four Basic Factors Considered

How does the successful investment counsellor determine market trends? What determines the long-range course of the stock market? Courtland Elliott, a partner in the investment firm of A. E. Ames & Co., Toronto, explained some of the secrets of market anaylsis in a recent address to a group of investment students taking a postwar course of instruction offered by the Invetment Dealers' Association of Canada. Since many of his observations apply with equal force to the individual investor planning his own small portfolio of stocks, The Financial Post presents these highlights from Mr. Elliott's address.

The investment adviser should be able to come to a judgment on two important matters. First, why are there changes in the price and yield factors in the stock market—in other words, why do prices move up and down. Secondly, he should endeavor to determine whether a particular purchase suggested will conform to the general movement in the market.

In this latter respect, he must have some view on two important questions. He should be able to explain to himself, for instance, why Bell Telephone and Aluminium Limited sell around $200 a share and why Goodyear Tire and Distillers-Seagrams sell around $100. Expressed in another way he should enquire, at least in general terms, why it is that Bell Telephone and Aluminium do not sell around $100 and why Goodyear and Distillers do not sell around $200 a share. There are obviously some factors and some forces that have produced a disparity in prices in these and other stocks and part of this talk is designed to outline the forces and factors that have produced such price variations.

There is also another question that will occur to the investment adviser who wonders whether his selection will conform to the general pattern of the market and that question is to explain to himself and to his clients the reasons for the varying rates of change in stock prices. For instance, between February 26 and April 5 of this year, the Toronto Stock Exchange industrial index advanced 8.83%. In the same period, however, Aluminium advanced 33.5% and Canadian Food Products 33.3%, while such diversified stocks as Cockshutt Plow, Canada Malting, Canadian Industries "B," General Steel Wares, International Nickel, Imperial Oil and others remained virtually stationary.

First, then, what makes the market go up or down over the longer period? In determining the broad trend of the stock market it is important to conclude whether, in the future, corporate profits are likely to rise or fall. If the environment of business is such that they will rise, there are grounds for concluding that the stock market will rise, because buyers will be bidding in ever-growing numbers for a share in the growing equities of corporations which are produced by the profit prospects.

In accounting terms, the growth or reduction in the equity, produced from earnings or lack of them, are a result of several simple factors. The first and most obvious is whether the volume of physical production is likely to rise. If, for example, you concluded that the production of newsprint, flour, metals and other commodities is going to advance, there are grounds for suspecting that industrial profits may also rise.

In money terms, however, the industrial production must be sold at a price. If prices are also likely to rise, then it is obvious that the sales volume of an increased number of units sold at a higher price will produce a larger sales value. Before profits can be achieved, however, the cost of materials and labor and other direct costs must be deducted, before you can determine what the gross profit is likely to be. This leads the market analyst, therefore, into the field of international trade and into the field of labor costs and such other costs as may influence the gross profit margin. Then, from the gross profit must be deducted depreciation, interest and taxes and preferred stock dividends before the conclusion can be reached as to whether the per share earnings to be distributed or retained are likely to rise.

Now it is possible that in attempting to conclude what will be the future course of industrial profits the market student may well become thoroughly confused and have his attention diverted to a great many unimportant considerations. At the moment, for example, the market student may be giving attention to the Iranian question, the intentions of Soviet Russia, to the possibilities of success or otherwise of the UNO, to the industrial turmoil in the U. S., to the prospects of removal of price ceilings and to a host of other daily considerations about which you read in the daily newspapers. Some of these are important marketwise and some are not. To reduce the complexities of all these considerations, however, the mind of the market student is concerned, so far as industrial stocks are concerned, with this one question: how will these factors influence the course of industrial production in physical terms, how will it affect prices and how will it affect costs?

Isolated Incidents

Many times the stock market has risen or fallen spectacularly, ostensibly because of some isolated incident such as the Japanese firing on the United States gunboat Panay before the war, or the abdication of Mussolini during the war. The fact is, however, that the movements of the stock market may be symbolized by such events but are never explained by them. The explanation comes from the effect of daily incidents upon the course of industrial production which are in themselves the result of managerial decisions and the environment in which business operates.

I am not speaking jokingly when I say that it is obvious that the stock market in its broadest outlines is a simple affair. Success in it depends on buying low and selling high. You buy low in a depression when industrial operations are curtailed, when competition is lowering the price level and when fixed costs have the effect of reducing profit margins. Generally speaking, too, at such a time yields are high or nonexistent because dividends have been reduced or eliminated. In your judgment of the stock market at such a time, you view the business surroundings and come to a conclusion that the forces of depression are spending themselves and the prospects are that physical production and possibly commodity prices will rise and that, relative to the costs of operations, the gross profit margin will expand. In relation to bond yields, it is ordinarily found that the yields from common stocks are relatively high. In these circumstances you buy.

Later on—possibly several years later—you conclude that there are a few clouds on the horizon, that the physical volume of production is at an approximate maximum, that productive capacities are so large that price competition for the disposal of goods is likely to increase and that extravagance has advanced costs to a dangerous point. In such circumstances your conclusion is that industrial profits may be narrowed and that there is no worth-while differential in yield from holding stocks rather than bonds and you sell.

In that sense, therefore, the stock market is a simple affair because all your reading and thinking and analyzing of a thousand inter-related matters are directed to the forces that are likely to change industrial profits and money yields.

What Makes Stocks Move?

So much for the broad forces that produce the upward and downward swings in common stock prices. The other two questions that I raised were in terms of examples. Why do Aluminium Limited and Bell Telephone sell at approximately $200 a share and Goodyear Tire and Distillers-Seagrams at $100 a share? The second part relative to the same question is: why do prices change more rapidly in one stock than in another?

The answer, I think, can be explained briefly in terms of four factors: (1) dividends and yields, (2) earnings, (3) financial position, (4) capitalization.

I have always felt that a purchase of a common stock is not much different from the purchase of a house or a horse, or anything else. In selecting common stocks, one must develop a sense of value just as one must cultivate a sense of value in purchasing a house or a horse. A man who from study and experience knows the sources of values is far more likely to be able to judge whether a stock is high and should be avoided or whether it is low and should be acquired than can an outsider who has not made the study of stock values his vocation. An excellent stock, by all the criteria of value, may be purchased at the wrong time and loss incurred because the general background of the stock market is not favorable. On the other hand, enormous benefits have frequently been obtained by purchasing the shares of a poor business at the right time.

Under conditions such as those now prevailing, however, determining whether or not to buy a stock, providing that the general background is favorable, depends upon the four factors I have mentioned, namely, dividends and yields, per share earnings, financial position and capitalization. Generally speaking, the varying rates of change in stock prices, whether upward or downward, are reflections of the inherent stability or otherwise of the operating company. If the dividends, profits and financial position are likely to be subject to wide change, either upward or downward, the corresponding fluctuations in the stock will be wide. On the other hand, if the nature of the business is such that the dividends and earnings and financial position are inherently stable, the corresponding fluctuations in price, while they will conform to the market in general, are likely to be comparatively narrow.

In investment stocks, one is constantly in search for yields that are or may be expected to be relatively attractive. No one can overemphasize the importance of dividends and yields in the selection of individual securities. Many times I have seen it happen that a stock that qualified for investment by reason of its earnings, financial position and capitalization, has been purchased at a fair yield and has then promptly declined in price to conform to a downward movement in the general market. Provided that the yield was relatively attractive, and provided that the dividend is safe, either by reason of prospective earnings or because of strong financial position, there is no cause for alarm. If for instance, today shares of a strongly fortified company are purchased on a 4% yield, one need have no cause for alarm if the price declines to a yield basis of 4½%. Permanent damage to the capital in such circumstances can come from only two sources: first, if the dividend is permanently reduced there will be no chance of appreciation back to cost price and, secondly, if the level of money rates is permanently changed upward, there may be danger that, without dividend increases, a permanent capital loss may result.

CAMPBELL RED LAKE MINES has received payment on 100,000 shares at 50 cents, 100,000 shares at 55 cents and 100,000 shares at 60 cents a share. Issued capital—3,000,005 shares.

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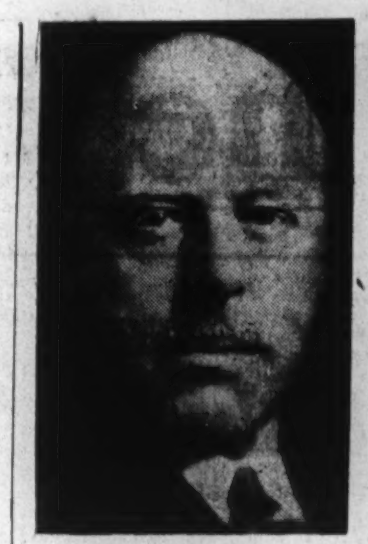

G. GORDON GALE

has been elected president of the Ottawa Valley Trust Co.

N. Y. Auto Law Doing Good Job

Since New York state's motor vehicle safety-responsibility law came into force Jan. 1, 1942, the proportion of the state's car owners covered by insurance has risen from about one third to around 80%, the 1945 report of the New York Motor Vehicle Bureau states.

The statement that the law is doing its job satisfactorily is of special interest in Canada where it has been used as a model for the new Manitoba act, effective last December. Other provinces also have considered adoption of some of the clauses in the New York law.

In Manitoba, the proportion of insured automobile owners has risen from 27% to about 75% since the law went into effect.

Both the Manitoba and the New York acts provide for impounding a vehicle involved in an accident, until the owner gives proof of financial responsibility; when a motorist is found responsible for an accident and is unable to satisfy any judgment against him, his license is suspended until he reimburses the injured party; transfer of the car of an offending motorist to somebody else is prohibited until the authorities are satisfied such transfer is not for the sake of defeating the act.

In 1945, the safety responsibility division of the Motor Vehicle Bureau handled 302,954 accident reports, 88,000 more than in 1944. Some 45,291 licenses were suspended, 29,613 for failure to meet financial responsibility law requirements, 11,095 because of cancellation of required proof of financial responsibility, 1,804 because of convictions, 229 for poor driving records, 163 for unsatisfied judgments, 262 for neglect to report accidents and 2,125 because licenses were obtained improperly. More than 30,000 suspensions were terminated during the year. Slightly more than $1 million was deposited in 1945 by individuals in lieu of insurance, as security against possible damage claims.

Foreign Sales Can. Securities Continue Down

Net sales of securities by Canada to other countries showed a further decline in May from the high levels of earlier months this year. Net sales were $10.5 millions, against $13.0 millions in April and $20.2 millions in March, Dominion Bureau of Statistics reports.

The May decline was due to smaller sales of Canadian bonds. Trading in Canadian and United States stocks continues heavy and net sale of Canadian stocks to all countries was unusually high at $3.0 millions.

Security sales to the U. S. totalled $29.4 millions and purchases from the United States $16.2 millions, the net sales of $13.2 millions comparing with $39.2 millions in February, the month of heaviest sales. Sales of Canadian bonds amounted to $4.1 millions on balance, with net sales of Dominions $1.9 millions and other corporations $1.1 millions. Net sales of Canadian stocks to the United States were high at $5.4 millions but were partly offset by repurchases of $2.3 millions from the United Kingdom. The remainder of transactions with the United States was composed principally of United States stocks.

CITY OF SAINT JOHN, N.B. has sold a new issue of $633,000 in 2, 2¼, 2¾ and 3% debentures due Aug. 1, 1947 to 1966, to a syndicate composed of Bank of Nova Scotia, Wood, Gundy Corp. Ltd., Eastern Securities Ltd., and F. J. Brennan & Co., at 100.039 which is a cost basis to the city of about 2.68%.

Last issue sold by the city was in July 1943 when the cost price was about 3.25% for $162,000 in 2¾, 3 and 3½% 20-year serial debentures.

Present issue is for paving of streets, additions to the water and sewerage system, expansion of a housing development and miscellaneous local improvements.

SILVER-MILLER MINES is carrying out drifting and raising from two shafts where a series of silver and cobalt vein systems are reported being opened. Work on 300-ft. level of No. 1 shaft has been concentrated on drilling and blasting No. 2 vein. Vein No. 4 continues on strike to southeast as drifting advances to connect with workings from No. 4 shaft.

CLARENDON APARTMENTS financial statement for the year ended May 31, 1946, shows receipts $47,908 and expenditures $40,865. Building maintenance and operations amounted to $21,339.

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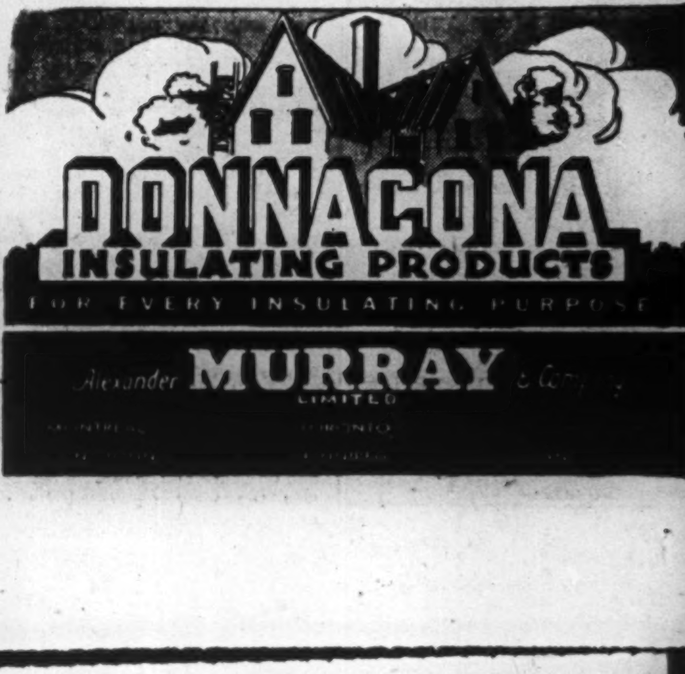

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WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

New Canadian Plastic

Canadian National Carbon Co. plans to introduce its "Krene" brand of plastic products to the market this fall, The Financial Post is told. Krene a plastic film, completely waterproof and not subject to mildew from exposure to moisture, will find its first uses in shower curtains and matching bathroom window curtains. It is sturdy, pliable, crease-resistant and may be put through a washing machine without damage. Fabrication of Krene makes use of the heat-sealing process, producing a welded seam as strong as the fabric itself.

• • •

The Tucker Torpedo

Newest entrant into the postwar automobile race is the Tucker Torpedo, which expects to go into production about the first of 1947 in the former Dodge-Chicago war plant. Cost is expected to be in the $1,300 to $1,600 range; and only one style, a four-door sedan, in 16 color combinations, is to be made. The car will eliminate transmission, drive shaft and differential, using a liquid coupling and four-wheel drive. Weighing about 2,000 lb.—1,000 lb. lighter than comparable models, it is expected to develop a top speed of 130 m.p.h. Former General Motors and Chrysler men are in the new company, headed by Preston Tucker, president, Ypsilanti (Mich.) Machine Tool & Die Co.

• • •

For Small Craft

Radio direction-finder equipment suitable for small pleasure craft and work boats is now being built by RCA Victor. The new unit, Model AR-8702-A, covers frequencies between 270 and 520 kilocycles; operates on a 6-volt battery plus 90 volts of "B" battery current, or on a ship's supply of 110 volts A.C. An "inside" loop, mounted directly on the direction-finder cabinet, is supplied for installations aboard wooden vessels or where a minimum of metallic structure is located in the vicinity of the loop.

• • •

Policyholders' Dictionary

Employers Mutual Liability Insurance Co., Wausau, Wis., has compiled a 59-page dictionary of insurance terms to help its policyholders understand the fine print in their contracts without the services of a lawyer. The booklet defines all terms commonly used in fire and casualty insurance.

• • •

Pipe Smokers' Lighter

Now the pipe smoker will be able to discard his box of matches in favor of a mechanical lighter. In the United States an ex-GI has just come out with a lighter working on the chimney flue principle. The flame is drawn down through the "flue" into the pipe bowl by the natural breath intake of the smoker.

• • •

Extrusion-coated Electrode

A new extrusion-coated, self-hardening electrode, claiming extra strength, less tendency to pick up moisture, is now available through Air Reduction Sales Co., New York. The Stoody electrode is said to have many other advantages, including: no slag interference, faster deposition rate than dipped type electrodes, no loss of hardness or wear resistance on multiple layers, solid deposits with a minimum of porosity, satisfactory application within a wide range of amperages, easy slag removal while deposit is still red hot. Typical applications include hard facing in building up worn areas of tractor lugs, shovel teeth, manganese steel crushing equipment; coupling boxes, bulldozer blades.

• • •

Keeps Sparkle In

To keep the life in half-emptied bottles of carbonated beverages, comes a "Handicapper." A special bottle opener, now available in the United States, it not only removes bottle caps, but replaces them, if and when desired.

• • •

Uline Fluorescent Lamps

Duro-Test Corporation engineers claim their new U-shaped fluorescent bulb packs the same amount of light into a 12-in. unit as a two-foot tube could previously do. They say it makes fluorescent lighting as portable as ordinary incandescent type. A functional fixture designed to go with the Uline lamp contains built-in ballast, wiring and a modified socket, eliminates accepted double-end holders. Engineers say the light output of a 40-watt Uline lamp is 40% higher than that of a 100-watt incandescent bulb. Its rated life is 4,000 hours.

• • •

Insulation Test Set

A 2,500-volt portable insulation testing set has been developed by Canadian General Electric to meet the demands of the Canadian Standards Association for an economical device to test domestic and industrial appliances. The set weighs 70 lb., in a metal case about 8 ins. square and 16¾ ins. high. It has a carrying handle and hangers for wall or post mounting. The set operates on either 25 or 60 cycles, tests 110, 220 and 550 volt circuits.

• • •

Noncapsizing Lifeboat

A British-built lifeboat, the "Reliance," has retained its stability in tests when it was loaded with sandbags equal in weight to 60 men. In another test 12,375 lb. was piled on one side of the boat without its capsizing; in another, a steam crane turned it over several times, causing it to ship about 40 gallons of water but to remain on top and stable while the water ran out by itself. Damage in launching and shrinkage under tropical conditions has not reduced its serviceability in tests.

• • •

Would Buy Road Maps

Three out of four motorists in the United States would be willing to pay 10 cents for the road map they now receive free from service stations, an eight-city survey of car owners' preferences in gasoline station service has revealed. Results of the survey were recently reported to the marketing division, American Petroleum Institute.

• • •

No Scratch, No Hiss

Makers of a new long-plane phonograph needle, marketed under the trade name of "Walco 400," claim longer life, higher fidelity, fewer changes for their design. The needle incorporates a shank of specially tempered aluminium alloy, bent into a shape to reduce scratch and hiss.

Singing Joe Mackenzie Rubber's Giant Leader

Whether or not Joseph Murdoch Mackenzie is the country's busiest union executive, at 6 ft. 2½ and 200 pounds he's certainly one of the biggest. But the Canadian director of the United Rubber Workers of America (CCL-CIO) doesn't wear a disposition to match. Glasgow-born Joe Mackenzie is rated as one of the most quietly persuasive men in the business.

He is key figure in the current strike of eight rubber companies in eleven plants in six Ontario communities.

A Hamilton friend recently told this reporter he'd heard "a giant of a man; I don't know who," leading a spirited singsong and storyfest on the Firestone Tire picket line. It was none other.

The rubber union leader forsook the printing trade when nine years as apprentice typesetter culminated in depression; became in his early twenties roadworker, farmhand and odd job man. He joined Seiberling Rubber, Toronto, 1934, was one of first to join URW when it began organizing the Ontario industry in 1937. In two months he was secretary of the local; its president the same year; one of two district field organizers soon after. It was in 1941 that Mackenzie assumed national direction as URW's "Canadian district representative" and in 1943 that he was elected to the 15-man general executive board of the international union. The union membership has reportedly grown to over 10,000.

Without a trace of Scots accent—he's lived in Ontario for 33 of his 36 years—Mackenzie confided to The Financial Post his liveliest regret about the strike is that it doesn't give him a moment with his wife Nora, son James Murdoch, 6, and his stamp collection. It's also "putting a hell of a crimp" into his shortage-harried effort to build himself a new six-room house on an acre and a half a few miles east of Oshawa.

Mackenzie attributes to his father his own interest in the labor movement. His father and brother are both employed by Consumers' Gas Co. "The old man taught us to honor and promote highest trade union principles and to believe the union movement can make a real contribution to a better society and more stable economy," he says.

ST. JOHN DRYDOCK & SHIPBUILDING CO. new issue of $2,343,187.54 2% first mortgage bonds, to be dated July 5, 1946, and to mature semiannually from Jan. 5, 1947 to Jan. 5, 1959, have been sold at $99½ and accrued interest by Dominion Securities Corp. Proceeds, together with payment on account of the Dominion Government subsidy payable July 1, 1946, are for redemption on July 5, 1946, of all the outstanding bonds of the company dated July 5, 1936, and for other corporate purposes.

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The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Builder's Profit

An individual makes building houses his main business. During one year, say 1946, he builds a number of houses costing say $50,000. He sells these for $70,000, 10% cash and the balance $63,000 spread over 10 years, interest 5%. How is the $20,000 profit considered? Can it be spread over the years the payments are collected, or does the whole amount have to be considered as income the year the houses are sold?

The profit is considered income for tax purposes and is taxable in the year in which the houses are sold, unless the vendor can show that building operations were spread over more than one year. In that case the proportion of building done each year will have to be calculated and a corresponding proportion of the profit will be taxable in the same year.

INVESTMENTS

Harrison Hot Springs Hotel

What is the present financial position of Harrison Hot Springs Hotel Co.? What prices are the preferred and common stocks currently selling at?

Harrison Hot Springs Hotel Co. owns and operates the Harrison Hot Springs Hotel at Harrison Hot Springs, B.C., which has been a popular resort. Its preferred stock, together with the common, originally given as a bonus, is trading at $20 bid to $25 asked for units of one share of preferred and one share of common.

Under an order-in-council approved on March 1, 1943, the hotel was taken over by the Dominion Government and used as a convalescent home for returned men and later for the CWAC. On May 15, 1946, it was turned back to the owners and was reopened on June 29, 1946.

During the depression, the company operated at a loss. At April 30, 1945, the company had a first mortgage outstanding of $105,000. It also showed a net deficit for the year of $3,042 and an accumulated deficit of $59,905 at April 30, 1945. No dividend has been paid on its 7% preferred stock since July 1, 1931.

The amount paid to the company by the Government was not much more than sufficient to pay taxes, interest on the mortgage and other overhead, The Financial Post is told.

Eastern Bakeries

Who owns Eastern Bakeries Ltd.? Can I get financial statements on this company?

Eastern Bakeries Ltd., Saint John, N.B., is a subsidiary of Maple Leaf Milling Co., Toronto, Ont., which owned about 1,000 shares of the 5,000 outstanding shares of 4% preferred stock, par $100, and about 25,001 shares of the outstanding 30,000 no par value common shares, according to the last information The Financial Post has.

If you are shareholder of Eastern Bakeries Ltd. you will be able to obtain financial information directly from its head office, Saint John, N.B., The Post is told. G. C. Anglin is general manager and would be the person to contact for information.

Int. Utilities Corp.

The 1945 annual report of International Utilities Corp. states that under the terms attached to the $3 million bank loan agreement, the company has covenanted that no dividends would be paid except out of earned surplus accumulated subsequent to Dec. 31, 1945, after deducting an amount equal to $200,000 for each full year elapsed from Jan. 1, 1946. The company is currently paying dividends on its common stock. Can you tell me what provision there is for the company to do so?

E. M. Butler, secretary of International Utilities Corp., advises The Financial Post as follows:

"Dividends on the common stock of this corporation, declared subsequent to Dec. 31, 1945, have been declared out of earned surplus accumulated subsequent to that date, after providing in full for the $200,000 to be paid on the bank loan for the year 1946.

"In addition to current earnings, the corporation has realized a net profit on the sale of investment securities subsequent to Dec. 31, 1945, in the amount of $355,000, after providing for Federal Income Tax on such net profit."

COMPANY REPORTS

CANADA BREAD CO. retained net profits increased 9.20% to $287,641 in year ended June 30, 1946. Working capital was $155,348 higher at $471,278.

Consumers likely appreciate the fact that no increase in the price of bakery products has been made during or since the war, President C. H. Carlisle, states. Quality of product and service have been kept at as high a level as conditions permit, he added.

Suppliers are interested in Canada Bread to the extent of $5,722,000 for purchases of ingredients and wrapping supplies; automobile manufacturers, $250,000 for average year's requirements of trucks; equipment suppliers for plant equipment, replacement and extension for a yearly average of $300,000, Mr. Carlisle points out.

The company is erecting a new bakery at Fort William and constructing new depots at Belleville and St. Catharines, Ont.

The 12,500 1st. preference 6% shares were called during the year and a new issue of 20,000, 4½% first cumulative preference shares was made.

CONS. INCOME AND SURPLUS ACCOUNT

Years Ended June 30:	1946	1945
Total net earnings ...	$851,664	$709,461
Less: Depreciation ...	249,515	255,557
Inc. & corp. taxes‡.	216,000	190,500
Emp. pension	98,508	......
Net profit▵	287,641	263,404
Less: 6% pref. divds..	15,625	75,000
4½% pref. divds. ..	71,250	......
"B" pref. divds. ...	62,500	62,500
Common divds.	20,000	20,000
Surplus for year▵	118,266	105,904
‡Incl. ref. EPT	4,800	2,000

▵Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:	1946	1945
4½% pref.:		
Excl. ref. EPT....	$14.38	‡$21.07
Incl. ref. EPT	14.62	‡21.23
Paid, 4½% pref...	3.56¼	......
Paid, 6% pref. ...	1.25	6.00
"B" pref.:		
Excl. ref. EPT* ...	8.03	7.54
Incl. ref. EPT* ...	8.22	7.62
Excl. ref. EPT† ...	4.86	4.62
Incl. ref. EPT† ...	4.96	4.66
Paid	2.50	2.50
Com.: Excl. ref. EPT†	0.40	0.36
Incl. ref. EPT† ...	0.41	0.37
Paid	0.10	0.10

*Before (†after) participation.
‡Old 6% first pref. stock redeemed Sept. 15/45.

CONDENSED BALANCE SHEET

As at June 30:	1946	1945
Cash & Dom. bds. ...	$589,043	$461,997
Accts. rec.	212,490	201,072
Inventories	618,754	385,980
Total curr. assets ..	1,420,287	1,049,019
Dom. guar. bonds■ ..	625,000	300,000
Misc. assets▵	163,811	144,114
Fixed assets*	2,354,169	2,166,437
Goodwill	500,000	500,000
Total assets	5,063,267	4,159,570
Total curr. liab.	949,009	733,089
Contingent res.	100,000	100,000
Capital stock	3,275,000	2,525,000
Surplus▵	739,258	801,481
*After depr. of	3,697,242	3,599,961
▵Incl. ref. EPT	34,000	29,200

■For postwar rehabilitation of fixed assets.

Working capital	471,278	315,930

DUPUIS FRERES LTD of Montreal announced last week the sale of $1,675,000 of cumulative redeemable $25 par value preferred shares on a $1.20 annual dividend basis to Rene T. Leclerc Inc., Royal Securities Corp. and L. G. Beaubien & Co. Ltd. Proceeds from this issue will be used to retire $1.5 millions presently outstanding 6% preferred on July 31 at $110 and accrued dividends, and for general corporate purposes.

RICENOR GOLD MINES—which is changing its name to Cleredale Gold Mines—has had a heavy-duty drill delivered to its property, 1½ miles southeast of the town of Clericy, Quebec, and diamond drilling is to begin soon. A number of anomalies are stated to have been indicated by an electrical survey. Ten other groups are owned or controlled by the company and it is planned to start preliminary work on these as soon as feasible. The properties are located in Clericy, Lapause, Beauchastel, Duprat, Figuery and Granet twps., Quebec, and in Marriott twp., Ontario.

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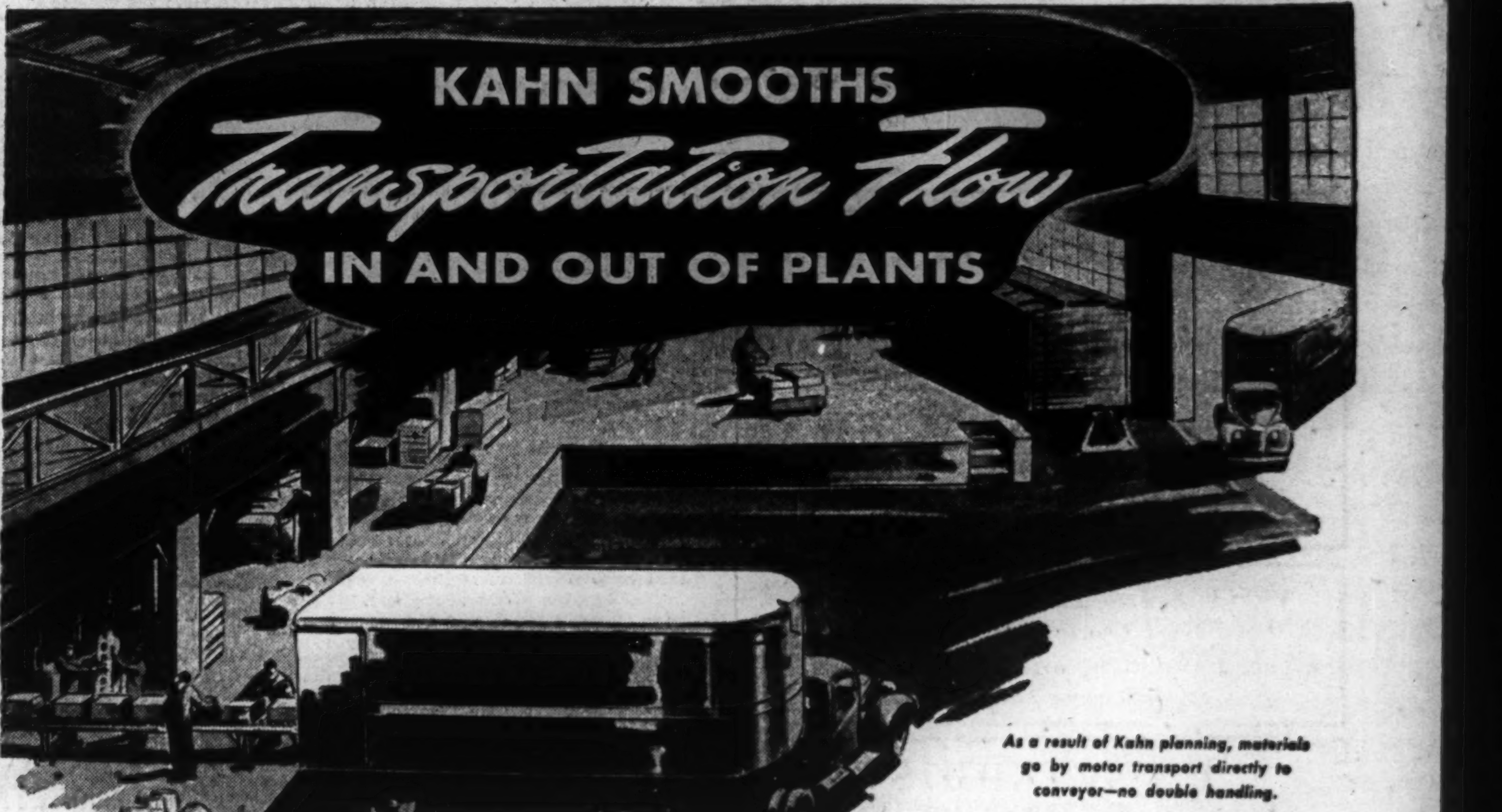

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Auto Insurance Premiums To Rise If Highway Accident Rate Continues

If highway automobile accidents continue at the present rate, you're going to pay more for your automobile insurance.

Present premiums are reported totally inadequate in spite of increase at the beginning of the year. In some quarters claims are estimated up 40% in number and 30% in value over last year, with property damage and collision claims 60% higher and the trend still rising.

The upward spiral in value of claims is attributed not only to greater accident frequency but to increased cost of repairs and materials. One insurance executive told The Post that repairs now cost 150% more than before the war, with public liability for personal injury easily 40% higher due to increased individual earning power.

Passenger Car Rate Down

Present automobile premiums in the aggregate are about at the pre-war level. During the war several changes were made, a slight upward revision in 1941 being followed by reductions in 1942 and 1943 after gasoline rationing started. When gasoline rationing was lifted last year, rates were restored to approximately the pre-war level, those on passenger cars used solely for pleasure being a little lower than in 1939; rates on cars used for business, substantially higher. About 80% to 85% of insured cars, it is estimated, are used for pleasure solely.

The current trend of accidents is rising so rapidly, it is believed it already shows a loss ratio well above 53%, the maximum considered consistent with sound underwriting in Ontario and 52½ for other provinces. By loss ratio is meant the percentage of losses incurred to premiums written. Here is what statistics compiled by the Ontario Department of Highways shows.

Ontario Highway Statistics
Jan. 1 to May 31

	1946	1945	% Change
Total accidents	5,945	4,008	+48
Fatal injuries	195	144	+35
Nonfatal injuries	4,087	2,889	+41
Prop. damage	$1,022,010	$620,183	+65
Cars registered*	643,961	627,547	+2.6

*To June 30.

See Death Toll Over 900

If the figures for Ontario are doubled it gives an approximate total for all Canada. Accordingly at the present rate of accidents, by the end of 1946, more than 900 people will have died by motor car accidents on the Canadian highways.

The future trend of premium rates depends largely on the experience of the next few months. Apart from the increased mileage of the average car since gasoline rationing was lifted, insurance men blame carelessness of drivers, carelessness of pedestrians, poor mechanical condition of many cars on the road, poor tires and glaring headlights.

Gasoline consumption in Ontario in the first four months of 1946 is estimated 47.7% higher than in 1945 with 30% more chauffeurs' licenses and 50% more instruction permits issued to May 31.

Canadian insurance men are watching closely the situation in the United States where public liability premium rates have been increased about 10% in at least 38 states, recently, with property damage rates up 25%. In the United States as in Canada, at the beginning of the year, rates which had been reduced during the war were set back practically at pre-war level.

War Trend Reversed

In both countries, automobile insurance companies look for a loss on the year's operations unless current campaigns to reduce accidents are more successful than expected. The situation is thus reversed from that during the war. From 1939 to 1944 the loss ratio of Dominion licensed companies was well below 50% but in 1945 it rose to 51.24%, the trend in the later months of the year being sharply upward.

Cost of materials, parts and labor has been steadily rising, while the increased income scale means that an injured man off work for a month, now claims probably 50% more indemnity for time lost than pre-war.

Another factor in insurance costs is the increase in operating expenses due to higher wage levels, rent, and stationery prices. Everything taken together means a substantially higher cost of operating, insurance men say.

Despite the scarcity of new cars on the market, registrations have increased. In Ontario for example, registrations to May 31, were 643,961 against 627,547 at the same date in 1945.

More Carry Insurance

The number of motorists carrying insurance has also increased, due partly to legislation in Manitoba and Prince Edward Island penalizing motorists involved in an accident, who cannot give proof of financial responsibility. Legislation in Manitoba, for example, while not compulsory automobile insurance puts such pressure on the motorist to show his financial responsibility that the percentage of operators now carrying insurance, is said to have increased from about 27% two or three years ago to 75% this year.

Meanwhile, there is a strong feeling that safety legislation should be tightened and present laws more rigidly enforced. Insurance men state that in the long run, it is the public itself who pays for a high loss ratio becauses insurance rates are based on the cost of accidents.

Over $3.7 Billions Property Insured Under War Risk Plan

Policies issued under the Dominion Government's war risk insurance scheme since it began, Sept. 15, 1942, to May 31, 1946, covered property worth $3.7 billions, James Matson, supervisor of war damage insurance, reports to Finance Minister Ilsley. The figures exclude Dominion Government property, goods in transit insured under the plan, and grain which was separately insured.

Premiums received from the public totalled $7.8 millions and from the Dominion Government $3.2 millions, which, with other credits of $100,000 made total revenue of $11.1 millions.

Expenses were $408,405 and claims and expenses incidental thereto $35,182, leaving net credit in the general fund of $10.7 millions, exclusive of a special fund for grain insurance which on May 31, totalled $1.5 millions.

Any surplus at the end of the war, after refund of any advances made to the fund by the Government, is to be divided, half to the Dominion consolidated revenue fund, half to be refunded pro rata to the policyholders.

Mr. Matson in his report states that the refund of premiums is the one job still remaining under the scheme. Claims paid under the scheme he reports were:

A small explosion at a powder factory outside Montreal, resulting in minor damage.

A German submarine fired a torpedo in the St. Lawrence River missing a ship but hitting the shore and damaging some houses, resulting in a few claims under the free compensation feature of the plan.

An explosion on the S.S. Greenhill Park in Vancouver Harbor.

Damage in the Halifax explosion July, 1945, was paid out of general war appropriations.

The expense ratio for the plan (the ratio of expenses to income) was 5%, which Mr. Matson says was due to the insurance companies and agents co-operating in the scheme, absorbing the work into their daily routine and being reimbursed only for additional cost incurred.

The initial premium rates were 15 cents per $100 on dwellings and farms and 25 cents on business premises and stocks in trade.

Reductions in cost were later effected, first by offering the rebate of 50% of the net surplus at the end of the war, pro rata to policyholders; then by a cut of 20% in 1943 and by subsequent renewals without extra charge from 1944 to termination of the plan in 1946.

HEDLEY MASCOT GOLD MINES carried out two major development programs in 1945, resulting in uncovering an ore body through drilling "Nick of Time" claim and discovering a small ore body on 2,700 level in "Zeerust" claim. Several mineralized zones were cut on 3,700 level and 2,700 incline, General Manager V. J. Creeden, states.

The main dyke was reported cut in the "Eagles Nest" claim on the new 2,700 incline. As work progresses, more and more possibilities of finding pay ore bodies are uncovered, the company states. Some 1,757 tons of ore were shipped from the Good Hope mine.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Rev. fr. concent.	$717,395	$536,809
Less: Min. & mill.	561,612	394,843
Ship. & smelt.	91,108	68,522
Admin. exp.	20,648	19,626
Net oper. earn.	44,027	53,818
Add: Int. on bds.	2,457	1,945
Less: Depr. & amort.	58,322	56,579
Taxes	7,448	5,221
Net deficit for yr.	19,286	6,037
Earnings per Share	d$0.0085	d$0.0027
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & concs.	$17,126	$45,937
Dom. bonds	65,626	78,432
Accts. rec.	122,320	97,184
Inventories	105,260	124,283
Total curr. assets	310,332	345,886
Prep. & def. chgs.*	70,553	70,269
Claims & props.	1,967,862	1,935,383
Plant & equip.	900,368	858,880
Less: Depl. res.	108,449	108,449
Depr. & amort.	554,971	496,649
Total assets	2,585,695	2,665,295
Bank loan	15,023	......
Accts. & tax. pay.	53,169	71,375
Wages pay.	8,067	5,199
Total curr. liab.	76,259	76,574
Capital stock	2,264,130	2,264,130
Prem. on shares	93,750	93,750
Surplus	151,556	170,841
*Includes development.		
Working capital	234,073	269,262

OPERATING STATISTICS

	1946	1945
Tons milled	56,503	42,285
Aver. recov.	$12.70	$12.70

Supply and Price of Canada's Shellac Depend on Tiny Bug in Far-off India

MONTREAL (Staff) — Welcome news to the paint industry is the annual report statement of Commercial Alcohols that its refined bone-dry bleached shellac plant is now operating at full capacity. Shellac, used chiefly in varnishes and lacquers, has been in short supply on this continent since about 1943. Lack of shipping and the huge quantities used in war production depleted stockpiles, and more recently the price of raw lac in India has been too high to permit U. S. buyers to bring it in under OPA ceilings.

Output of Alcohols plant, said to be the only one in Canada, is estimated just under 750,000 pounds yearly—almost enough to meet the normal pre-war Canadian market needs. Whether the company can continue this production rate depends largely on what happens to the price of raw shellac in India.

Traders in the Calcutta shellac market are said to have been taking "fliers" on this item, which has skyrocketed the price in recent months. U. S. shellac producers, from whom Canada has been getting most of its supply, have been unable to compete in the buying market. At present Commercial Alcohols is not too worried about price, since it is said to have several months' supply of raw material on hand. If, however, the price goes over the current 70 cents a pound delivered in Montreal, when Alcohols is again in the market, company officials think they might have to suspend shellac operations—unless, of course, price ceilings are raised.

Depends on Tiny Bug

To a great extent the future price of shellac depends on the supply and this in turn is determined by a little insect called Laccifer Lacca. This is the insect which produces lac—the basic ingredient of shellac. 90% of the lacs are produced in India, in the states of Behar and Orissa, the Central Provinces and the United Provinces. And even the small quantities produced in Ceylon, Java, Tibet and other countries, are exported through Calcutta.

Laccifer Lacca starts its career as a minute red larva, crawling over the host tree until it finds a food twig. Through the tender bark it begins sucking the juices of the tree. After a short time it begins secreting a cell of lac about its body as a protection against the weather. These larvae settle in the twigs of the tree in large numbers and their continuing secretions finally cover the twigs and become the lac crop. Lac in this form is called Stick Lac and is a resinous substance, probably manufactured in the skin of the insect.

Different host trees affect the time for the life cycle of the insect and produce stick lac of different qualities. Thus there are four major crops; Katki, Baisakhi, Aghani and Jethwi. These crops mature at different times of the year. In its commercial forms lac goes under several different names including: seed lac; shell-lac; button lac; garnet lac; needle lac; hard lac and the various blended lacs.

Seed Lac: This is the raw lac after it has been ground and washed. In its manufacture, the twigs coated with stick lac are cut from the trees when the larvae emerge. The lac is then scraped off and ground by hand in a mortar or in an iron mill. This is called the "native process." It is then sieved and winnnowed in basket work trays.

Washing comes next, in water or a diluted soda solution in rough surface vessels. In these vessels the lac is rubbed and stirred, which removes most of the red lac dye and other soluble substances, and eliminates a large amount of the woody material and scum. The lac is then removed, drained and spread to dry; first in the sun, and then the shade. Some of the more progressive Indian manufacturers now use mechanical methods for washing and cleaning lac.

To produce a more refined form of lac such as shellac or button lac, the seed lac is placed in bags 30 ft. long and two in. in diameter. These are made of closely woven cotton and, when filled, are heated in front of a Dutch-oven type charcoal fireplace. The lac is forced through the bags by twisting them on a simple windlass. This operation requires skill, so that the lac will not become overheated. Some of the lac falls on a smooth, flat stone depressed in the centre, which contains water to prevent the lac from sticking.

This fallen lac is picked up and reheated on the surface of the bags to drive off some of the water absorbed. From time to time the lac is removed from the surface of the bag with a large flat knife. When a sufficient amount is collected, it is spread on a porcelain cylinder kept at 80 deg. C. by hot water. This sheet lac is warmed in front of the fire and stretched into large sheets. When cool, the sheet readily breaks up into flakes and is packaged for shipment.

Button Lac: This is another form of the purified seed lac. Instead of drawing the molten lac in sheets, the melted resin is allowed to fall on cold plates and is pressed into a solid mass. These buttons are usually about three inches in diameter and one quarter of an inch in thickness.

Garnet Lac is a dark variety of lac from which some of the wax has been removed during its manufacture. Poor-colored grades of seed lac, which are not suitable for making light shellac, can be used for this type. Garnet lac is sold in broken, irregular-shaped slabs an eighth to a quarter inch thick. This product finds its widest use in the plastic field where it is blended with other lacs.

Bleached Shellac: This is the regular bleached shellac, the most popular type of lac used in spirit varnish on this continent at the present time, and the type produced by Commercial Alcohols. The dewaxed grades known as refined bleached shellac are used extensively in cellulose nitrate lacquers. These resins are prepared by dissolving shell-lac or seed lac in sodium carbonate solutions, allowing the impurities to settle. This solution is bleached with sodium hypochlorite solution until it reaches a standard color. The resin is then precipitated with sulphuric acid (particles are collected together by heating) removed as slabs, drained, ground and dried until it contains less than 6% moisture.

Wax is removed in the manufacture of the refined grade by filtering the original soda solution of the lac. If possible, this type of shellac should be dissolved in alcohol within two or three months of manufacture, to avoid becoming insoluble in solvents. This contingency could be overcome by storing the shellac at low temperature.

These commercial lacs are used in the manufacture of spirit varnishes and different types of lacquers, inks, wax emulsions, wood fillers, stains and sizes. During the war, when the raw material supply was cut down, the various resins obtained from lacs were produced synthetically, with the result that the paint and plastics industry are not now so dependent on them. However, synthetic resins have by no means replaced the lacs; and while they may tend to lower the price in a normal market, the present demand is bringing a fancy price for Calcutta's shellac traders.

CANADIAN MOTOR LAMP CO. net profit increased 8.75% in 1945, due mainly to a drop in income tax from $327,975 to $66,393. Working capital was $12,645 higher at $894,285.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net income*	$179,714	$451,473
Deprec.	10,764	29,196
Income tax‡	66,393	327,975
Net profit	102,557	94,302
Less: Divds.	60,000	60,000
Surplus for year	42,557	34,302
‡Incl. ref. EPT	441	52,875
Earnings per Share and Dividend Record:		
Cl. A & B:		
Excl. ref. EPT	$1.026	$0.94
Incl. ref. EPT	1.030	1.47
Paid	0.60	0.60

*After providing for voluntary refund to Dept. of Munitions & Supply.

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$558,985	$1,576,928
Accts. rec.	222,915	189,409
C.s.v. life ins.	44,063	41,754
Inventories	337,953	238,656
Total curr. assets	1,163,926	2,046,747
Def. chgs., etc.‡	552,716	550,086
Fixed assets*	195,699	179,977
Total assets	1,912,341	2,776,810
Accts., tax., etc., pay.	159,967	125,107
Vol. ref. pay. dept. Munitions & Supply	109,674	1,040,000
Total curr. liabs.	269,641	1,165,107
Reserves	58,000	70,000
Capital stock	100,000	100,000
Earned surplus‡	1,484,700	1,441,703
*Less depr.	389,338	378,574
‡Incl. ref. EPT	545,386	544,946
Working capital	894,285	881,640

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Commercial Loans Up Demand Deposits Lower

Business borrowings from chartered banks rose $7.3 millions in June, their return to the Finance Minister as at June 30, states.

The rise though small is considered significant, as it is the second consecutive monthly increase without the stimulus of war financing and is believed to reflect increased demand from business for bank credit for its regular operations.

Lumber companies are stated to be borrowing fairly freely, as is customary at this time of year when logs from the winter operations are being turned into lumber, but have not yet been sold.

In some quarters greater expansion in bank borrowing had been anticipated, as wholesalers and manufacturers were expected to increase their inventories and accordingly require bank loans. But while some business firms have been able to do so, strikes and shortages have prevented many others from accumulating stocks, and have restricted the demand for bank credit. Moreover, many of the loans made in November to buy Victory bonds are being steadily repaid.

Call loans in Canada, meanwhile, declined due to quieter stock markets and provincial loans were also lower. Municipal loans were up.

Savings deposits rose to a new high level at over $3.3 billions, while demand deposits declined. Some business concerns are using their demand deposits for current financing rather than borrowing from the banks, while others are reported converting demand deposits bearing no interest, into savings deposits, where corporations are allowed ½ of 1%.

Bank investments were slightly lower, the decline being in Dominion and provincial issues. Important items with comparisons follow:

Use of Bank Credit in Canada
(In Millions of Dollars)

	June 1946	May 1946	Change	June 1945	Change
Loans	1,303.2	1,311.3	—8.1	1,264.4	+38.8
Investments	4,274.5	4,304.0	—29.5	3,995.4	+279.1
Total	5,577.7	5,615.3	—37.6	5,259.8	+317.9
Deposits	5,513.7	5,512.7	+1.0	4,302.8	+1,010.9
Credit index*	23.6%	23.8%	—0.2%	28.1%	—4.5%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS
Immediately Available Liquid Assets
(In Thousands of Dollars)

	June 1946	May 1946	Change	June 1945	Change
Canadian coin	9,682	10,792	—1,110	8,203	+1,479
Bank of Canada notes	126,300	137,526	—11,226	121,668	+4,632
Bank of Canada deposits	500,481	493,361	+7,120	491,899	+8,582
Bank's cash	636,463	641,679	—5,216	621,770	+14,693
Gold sub. coin abd.	2,765	2,773	—8	2,473	+292
Foreign banks	221,857	223,403	—1,546	234,177	—12,320
Foreign currency	101,684	94,499	—7,185	97,087	+4,597
Call loans abroad	74,410	89,574	—15,164	120,152	—45,742
Government securities:					
Dom. short term	1,486,158	1,523,124	—36,966	1,931,762	—445,604
Prov. short term	106,853	111,136	—4,283	132,092	—25,239
Dom. long term	1,880,949	1,881,928	—979	1,355,755	+525,164
Prov. long term	207,984	210,492	—2,508	166,244	+41,740
	4,719,123	4,778,608	—59,485	4,661,512	+57,611
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	96,270	95,401	+869	82,921	+3,349
Public secs.ǂ	318,442	303,724	+4,718	219,641	+98,851
Other secs.	177,875	178,295	—420	107,086	+70,789
Can. call loans	115,202	124,511	—9,309	122,890	—7,688
Current loans	1,147,716	1,140,356	+7,360	1,109,492	+38,224
Loans abroad	154,098	150,170	+4,028	130,952	+23,146
Prov. loans	9,432	19,429	—9,997	6,463	+2,969
Mun. loans	30,864	27,017	+3,847	25,608	+5,256
	2,049,899	2,038,903	+10,996	1,805,050	+244,849
Other Assets					
Noncurrent loans	949	932	+17	1,194	—245
Real estate	1,772	1,772	....	2,106	—334
Mortgages	1,659	1,725	—66	2,159	—500
Premises	64,965	64,803	+162	62,306	+2,659
Letters of credit	180,887	174,040	+6,847	123,433	+57,454
Loans to comp.	10,585	10,635	—50	14,437	—3,852
Other assets	4,905	4,780	+125	4,147	+758
	265,722	258,687	+7,035	209,782	+55,940
Total	7,034,744	7,076,196	—41,454	6,676,344	+358,400
Note circ. dep.	1,696	1,696	....	12,269	—10,573
Int. bank bal.	233,379	283,046	—49,667	216,334	+17,045
Gross	7,269,819	7,360,940	—91,121	6,894,947	+374,872
LIABILITIES					
To the Public					
Circulation	23,304	23,680	—376	28,746	—5,442
Dom. Govt.	114,301	248,633	—134,332	934,232	—819,931
Prov. Govt.	128,070	120,181	+8,889	102,676	+25,394
Deposits by Public					
Demand dep.	2,150,304	2,206,998	—56,694	1,857,331	+292,973
Savings dep.	3,363,474	3,305,702	+57,772	2,645,537	+717,937
Total	5,513,778	5,512,700	+1,078	4,502,868	+1,010,910
Foreign Deposits					
Dep. elsewhere	766,612	770,692	—4,080	708,526	+58,086
For. curr. in Canada	84,626	71,299	+13,327	55,640	+28,986
Total	851,238	841,991	+9,247	764,166	+87,072
Due to Banks Abroad					
United Kinkdom	31,710	31,896	—186	38,350	—6,654
Foreign	105,329	84,511	+20,818	68,082	+37,247
Letters of credit	180,887	174,040	+6,847	123,433	+57,454
Other liab.	3,905	4,365	—460	5,227	—1,322
Total public liab.	6,952,522	7,041,997	—89,475	6,567,980	+384,542
Due other banks	17,008	18,255	—1,247	20,141	—3,133
Liability to Shareholders					
Dividends	1,484	1,882	—398	1,183	+301
Reserve	136,750	136,750	....	136,750	....
Capital stock	145,500	145,500	....	145,500	....
Gross	7,253,264	7,344,384	—91,120	6,871,554	+381,710

ǂOther than Canadian.

Staff Changes

The Canadian Bank of Commerce announces the following staff changes:

L. R. EAMER, to be manager, Ayr, Ont.

N. A. RUDIAK, to be manager, Winkler, Man.

• • •

The Bank of Nova Scotia announces the following staff changes:

J. H. RATTEE, to be manager, Sydney, N.S.

L. A. HANNAH, to be manager, North Vancouver, B.C.

• • •

The Dominion Bank announces the following staff changes:

L. G. BABCOCK, formerly manager, Parkdale, Toronto, assigned to special duties at head office.

P. SIMPSON, to be manager, Parkdale, Toronto.

W. H. HODGIN, assistant manager, St. Lawrence Blvd., Montreal, to be manager, Jean Talon Branch, Montreal.

JAS. CLUBB, to be accountant, Pender & Howe Sts., Vancouver.

H. A. CORRIGAN, to be accountant, Queen & Sherbourne, Toronto.

A. F. GREAVES, to be accountant, Cobourg, Ont.

H. E. IRWIN, to be accountant, Leamington, Ont.

A. W. LENNON, to be accountant, Dresden, Ont.

F. S. NORRIS, to be accountant, Yonge & Eglinton, Toronto.

French Plan Announced To Pay For Securities

Foreign securities called in by the French Ministry of Finance are to be paid for on the basis of prevailing exchange rates and at the value of the securities at the foreign place of issue, Robert Schuman, France's Minister of Finance, announces. Payment is to be made by transfer to the holder's bank account.

The Minister voices belief that the state should honor the obligations undertaken at the time of passing of the law of Dec 26, 1945, with regard to regularly declaring holdings. The policy completely safeguards the rights of all securities holders who have conformed with the law. At the same time, Mr. Schuman has ordered increasing vigilance against infraction of exchange regulations, particularly those pertaining to foreign securities, it is stated.

Canadians Still Have Dollars to Spend But Don't Squander Dimes So Casually

OTTAWA (Special)—There is some evidence that Canadians are easing away from their wartime spending spree—not necessarily buying less, but spending less on the type of purchases which requires a heavy supply of small change.

Officials of the Bank of Canada report that coinage production which struck a new high in war years, has started on the down grade. Last month, for example, the Bank of Canada, on behalf of chartered banks, ordered $196,000 in dimes as against $270,000 in June, 1945. This same drop has taken place in all coinage demands and it is expected will continue.

Coinage production at the mint is not an accurate indicator of the amount of silver and copper in circulation, since periodically it includes coin replacement. But over a period of time it is a handy barometer of the type of spending going on in the country. Coin is ordered by chartered banks from the Bank of Canada whenever required and is shipped direct from the Mint. Seasonal peaks are reached each year in the summer tourist season and the Christmas shopping season. Over a period of years the peaks tally fairly consistently with inflationary and deflationary periods and note circulation.

Coppers in Demand

Over and above this, however, coinage production can tell its own story of changes in Canada's ways of spending money. Sales taxes, for example, are reflected in the circulation of coppers. In 1942 soft drinks jumped from their traditional nickel a bottle to six and then seven cents. Production of coppers at the Mint jumped between 1939 and 1943 from 21.6 millions to 89.1 millions. It dropped in 1944 to 44.1 millions but was still six times as high as the level of production 12 years ago.

Overcrowded theatres and restaurants, the run on bingo games and the general rush on amusements of all kinds during the war years, kept the Mint busy trying to keep up with the demand for silver coinage. Production of dimes, starting at 5.5 millions in 1939, rose to 21.1 millions in 1943. There was a drop to 9.3 millions the following year and a slight increase again in 1945 to 10.7 millions. Quarters and half dollars increased and dropped again in about the same proportion.

These peaks in coinage are nothing new in the lifetime of the Mint. Almost the same picture was seen during the first World War, though it was a miniature of what has happened in the last six years. In 1918 production of quarters was over the million mark and hit its peak at 1.4 millions in 1919. It dropped from there to a coinage of 14,000 quarters in 1922 and none in 1924 and 1925

Stores Bought U. S. Dimes

But World War II brought one new feature. With its plant at two to three times normal capacity, the Mint had its pockets cleaned of small change during the winter of 1942-43 and failed to meet the Christmas shopping demands of that year. Large department stores in Toronto were forced to go to the American market and import a quantity of dimes at 11 cents each to meet the needs of their customers.

This year two factors are likely to bring a substantial drop in Mint production figures, the most important being that peactime salaries and wages, plus strikes and a considerable measure of unemployment, have made the average Canadian think twice before he spends that extra quarter unnecessarily. Spending today is shifting into other channels. Surplus earnings and wartime savings are going less into amusements and more into taking up the war backlog of necessities and semi-necessities.

Production of quarters, half dollars and to a lesser extent dimes, is likely to decrease as consumers go into the dollar level for purchases of electrical appliances, automobiles and other durable goods. For the moment the coinage production seems to be falling out of line with bank note circulation, though the same trend is apparent in both. Peak in note circulation, it is estimated, was reached at the end of Oct., 1945; but at the end of June this year at $1.1 billions it was still well above the figure of June last year. In contrast to coinage which hit its peak in 1943 note circulation rose from $179 millions in 1939 to $869 millions in 1943 and $1,124 millions by the end of 1945.

Expect More U. S. Coins

Another factor likely to have some effect on Canada's production of coins in the next few years is the Government's action in bringing Canadian currency to parity with the United States. Traditionally, whatever the exchange figures, Canadian coins do not find their way into the United States. On the other hand, already there is a substantial amount of American silver and nickels in circulation in Canada and this is likely to increase.

The whole policy of Mint coinage is based on demand and supply with an attempt to keep stability of employment by carefully avoiding peaks and slumps in production. The Mint keeps only a very limited supply of coins in reserve to meet unexpected demand. On the whole the ratio of demand for quarters, half-dollars, dimes and nickels remains fairly constant — surprisingly so considering the number of things which can no longer be bought for a nickel. Officials find it difficult to explain this, but one suggestion made is wider use of pay telephones and slot machines such as juke boxes.

This year, however, the nickel is likely to stand high on the production line. The copper-colored specimens, put on the market as a war measure, is being called in as rapidly as banks can get hold of them. This will mean a substantial replacement.

Construction Trends — By CLIVE CHATTOE

Salvage Speedup Helps Building Vets' Homes

In the ten weeks passed since National Construction Council launched that industry's demand for more speed by Ottawa to wreck and to salvage materials from unused temporary military establishments, more and more action has been taken by Federal authorities to declare such cantonments surplus and to order their demolition.

Example No. 1: Mopped up by wrecking crews since May—and largely for the rental building projects of Housing Enterprises of Canada—the sprawling Equipment Depot No. 1 on Toronto's waterfront, eight city blocks, 60 acres, is no more. Its more than a score of structures containing hundreds of feet of scarce lumber, asphalt shingle-type siding, plumbing equipment, now are being distributed to HEC's contractors.

Example No. 2: At Dewinton, Alta., similar quantities of the same critical building materials and equipment last week were being ripped out of a wartime RCAF station. Here, though, Alberta Economic Affairs Minister A. J. Hooke rates much of the credit, he having for weeks carried on insistent negotiations with Ottawa. First call on Dewinton salvage goes to City of Edmonton to complete alterations to military huts brought from Dawson Creek last fall for veterans' emergency accommodation. Second priority goes to Alberta Dept. of Lands & Mines to build an old people's home at Youngstown. Next in line are Alberta municipalities and school districts, individual home-building veterans and job-making commercial and industrial building projects.

• • •

U. S. Watchdog Group

U. S. Civilian Production Administration has organized a building material analysts' division to aid the veterans' housing program by promoting flow of building materials "in a prompt, orderly and balanced manner." It will be the responsibility of the 10 men appointed to cover CPA's two territories to see that building material distributors are informed how to proceed under CPA regulations and subsequently to report to Washington on the supply-demand situation regarding building materials in their respective areas.

BANK OF CANADA

	July 31	July 24
	$	$
Liabilities		
Capital paid up	5,000,000	5,000,000
Notes in circ.	1,117,864,103	1,116,282,895
Rest fund	10,050,367	10,050,367
Deposits: Dom.	69,139,135	65,877,674
Chart. banks	532,477,926	523,882,946
Other	90,051,112	86,704,666
Total deposits	691,668,173	676,465,286
Liabs. pay. in sterling, USA and for. gold currencies	1,843,111	1,843,111
All other liabs.	25,169,668	34,353,325
Total liabs.	1,851,595,422	1,843,994,984
Assets		
Sterl. & for. ex.	1,843,111	1,843,111
Subsid. coin	394,956	402,350
Investments:		
Dom. gov. sh.	1,276,549,796	1,270,720,647
Oth. Dom. govt.	541,792,913	542,918,783
Other secs.	10,000,000	10,000,000
Total invest.	1,828,342,709	1,823,639,430
Premises	2,542,777	2,542,777
All other assets	18,471,869	15,567,316
Total assets	1,851,595,422	1,843,994,984

Explorers welcome!

You don't have to travel by sailing ship to explore to-day's trade prospects in the South-West Pacific. Economic and trade information about AUSTRALIA, NEW ZEALAND, FIJI, PAPUA and NEW GUINEA and introductions to importers and exporters can be obtained by asking your bank to write to the
BANK OF NEW SOUTH WALES
British & Foreign Department, Sydney, Australia

Appraisals and Valuations of Property—

are often necessary for various reasons such as, assessment adjustment, consideration of purchase, settlements of estates, etc.

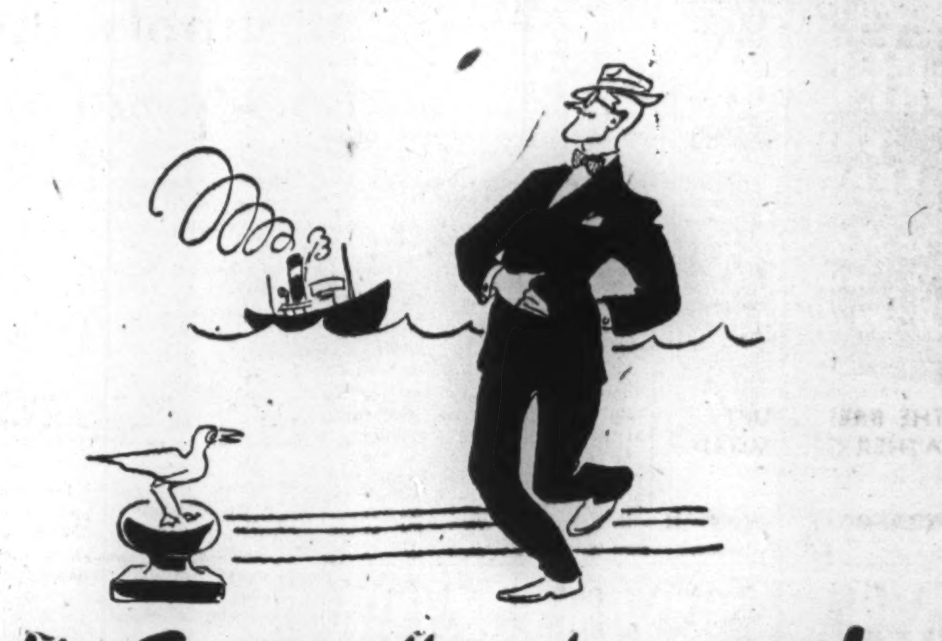
This calls for a complete knowledge of all the factors affecting property values.

You will find us fully competent to conduct this service for you at a minimum of cost.

Inquiries invited

Member Toronto Real Estate Board.

J. D. McWILLIAMS
REALTY
25 King St., West TORONTO



Mr. Tradewell's ship is in!

(A SIMPLE TALE TO SHOW HOW BANK CREDIT WORKS)

THAT JAUNTY hornpipe means his whole year's supply of molasses has arrived from the West Indies ::: in good time, at a favourable price.

Quite a change from Mr. Tradewell's earlier days in the wholesale grocery business, when he bought his molasses month to month . . . in small quantities . . . and didn't do so well with it. Now he buys in bulk : . . barrels of it : : : and cuts his cost par gallon.

Of course this takes *ready cash*—often more than he has on hand at the moment. So he borrows what he needs from the Royal Bank. When the molasses is sold, he pays off the loan.

This is a simple example of how bank credit works : : : how by making working capital available it opens the door for enterprises large and small when opportunity knocks.

WHAT KIND OF BUSINESS MAY BORROW?

The answer is *any* kind—large or small—provided it's a sound business. Some of the Royal Bank's most valued customers are anything but "big". Among our larger accounts are many which have grown from small beginnings through the help of bank credit. This service is at *your* disposal, too. Your local Royal Bank Manager will be glad to talk it over with you, any time you say.

WORKING CAPITAL TO KEEP PEOPLE WORKING

THE ROYAL BANK OF CANADA

IN MONTREAL

Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

"EXPORT"
Canada's Finest CIGARETTE

Position of Chartered Banks of Canada as of June 29, 1946, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advance from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other Banks in Canada	Due to banks in U.K.	Due to Banks Elsewhere
	$	$	$	$	$	$	$	$	$	$	$
Montreal	5,865,120	40,387,648	28,007,254	....	583,281,046	798,842,772	10,670,042	138,031,456	2,278,561	10,004,147	29,260,491
Nova Scotia	2,141,030	12,488,464	2,473,282	....	155,332,652	191,631,723	1,170,877	100,012,479	5,489,540	1,672,312	4,551,044
Toronto	791,156	6,288,416	2,406,181	....	97,932,380	197,018,424	1,008,617	....	91,851	1,141,920	1,847,685
Provincial	501,645	1,192,188	327,730	....	28,360,178	98,152,605	52,107	....	2,810	....	78,756
Commerce	4,902,628	7,072,333	27,115,209	....	423,746,740	637,487,496	16,976,024	130,721,084	1,252,141	6,200,032	14,186,847
Royal	6,197,728	20,532,361	32,415,230	....	546,700,184	733,295,267	43,264,401	375,169,044	12,279	5,238,216	48,534,181
Dominion	856,181	8,528,201	1,561,498	....	104,642,853	164,303,949	264,131	13,677,636	1,736,095	2,974,000	1,500,647
Nationale	863,852	4,056,715	2,912,308	....	80,262,149	236,945,824	781,471	....	3,007,976	52,155	1,189,222
Imperial	1,054,712	9,939,295	20,837,635	....	122,301,630	198,480,936	3,258,962	....	2,964,023	1,268,461	2,825,628
Barclays	128,320	3,314,938	7,829	....	6,744,781	7,314,632	7,173,372	....	172,369	3,160,285	1,354,126
Total	23,304,372	114,300,629	128,070,176	....	2,150,304,599	3,363,473,628	84,626,004	766,611,699	17,007,645	31,709,528	105,325,627

NAME OF BANK	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized (Supplementary Information)	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in Circ.	[illegible] rediscounted with Bank of Canada
	$	$	$	$	$	$	$	$	%	$	$	$
Montreal	20,459,271	644,411	23,879	39,000,000	36,000,000	1,753,256,104	60,000,000	36,000,000	8	892,405	5,946,220	....
Nova Scotia	30,541,717	602,111	368,484	24,000,000	12,000,000	653,481,692	15,000,000	12,000,000	12	1,253,422	2,179,807	....
Toronto	3,474,183	....	4,998	12,000,000	6,000,000	330,005,766	10,000,000	6,000,000	10	319,192	802,436	....
Provincial	187,085	12,024	8,744	1,000,000	4,000,000	133,875,833	5,000,000	4,000,000	5	36,200	509,695	....
Commerce	34,395,910	821,228	624,205	20,000,000	30,000,000	1,355,501,876	50,000,000	30,000,000	8	603,000	4,976,412	....
Royal	71,325,305	1,615,619	86,755	20,000,000	35,000,000	1,939,384,575	50,000,000	35,000,000	8	840,611	6,305,675	....
Dominion	10,441,875	119,294	176,577	7,000,000	7,000,000	324,783,021	10,000,000	7,000,000	10	616,301	871,691	....
Nationale	1,523,764	78,183	13,343	5,000,000	7,000,000	343,695,058	10,000,000	7,000,000	7	101,168	881,832	....
Imperial	6,979,775	....	177,121	8,000,000	7,000,000	368,088,189	10,000,000	7,000,000	10	688,516	1,068,822	....
Barclays	1,558,252	12,808	....	750,000	1,500,000	33,191,716	1,500,000	1,500,000	....	18,859	131,980	....
Total	180,887,087	3,905,678	1,484,106	136,750,000	145,500,000	7,253,263,830	211,500,000	145,500,000	....	5,371,675	23,572,570	....

†And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of and Cheques on Other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Dom Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	2,426,983	24,606	30,771,344	148,824,643	58,029,388	1,157,557	8,320	5,249,741	29,918,782	426,219,615	438,500,758	37,505,586	74,761,018	22,775,495
Nova Scotia	589,583	791,341	12,774,459	35,431,882	18,546,647	23,808,283	....	804,540	19,537,734	113,456,904	152,290,391	10,052,912	14,338,938	8,322,628
Toronto	463,750	....	6,083,973	26,200,372	11,174,093	261,478	....	1,357,265	5,035,535	68,491,378	99,428,444	4,428,086	13,119,787	4,762,001
Provincial	447,512	....	3,154,334	12,176,650	4,929,205	77,303	2,549	7,047	1,338,210	36,612,757	20,549,080	3,679,509	10,855,863	8,483,628
Commerce†	1,423,128	186,380	20,820,297	87,369,657	81,320,073	2,139,395	....	4,276,258	56,905,300	242,372,487	443,152,411	13,010,510	23,516,611	8,546,139
Royal‡	2,096,931	1,762,011	20,641,661	104,228,225	70,477,668	73,385,403	24,201	13,862,943	62,720,690	240,756,007	474,068,730	28,006,762	40,790,461	20,805,605
Dominion	526,620	357	5,184,765	29,368,167	11,758,944	820,734	63	327,667	4,155,161	65,073,216	94,021,907	1,257,434	2,365,063	3,309,821
Nationale	1,129,514	....	9,069,011	23,785,030	11,746,375	207,524	1,490,803	73,626	2,192,858	84,067,217	71,849,803	4,562,751	17,394,640	11,812,055
Imperial	566,732	....	7,630,589	29,542,417	12,765,922	324,843	739,991	619,591	8,190,720	104,238,381	83,928,252	3,578,943	5,723,861	6,727,861
Barclays	11,380	....	169,177	3,553,755	281,931	1,734	83,442	1,450,441	3,932,075	4,869,761	3,164,274	810,736	5,118,238	1,025,090
Total	9,682,142	2,764,655	126,299,603	500,480,814	221,030,346	101,684,254	2,349,209	27,929,119	193,927,651	1,486,157,698	1,880,949,050	106,853,228	207,983,751	96,270,328

NAME OF BANK	Public Securities other than Canadian	Other bonds and stocks▪	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	‡Real estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	*Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	79,655,850	54,940,205	21,869,423	29,793,615	238,329,549	9,819,224	2,024,186	8,099,597	297,128	805,099	10,668,395	409,076	3,109,137	1,756,444,407
Nova Scotia	29,082,247	15,485,430	12,845,632	3,744,896	121,409,399	19,903,386	1,095,971	1,517,834	73,877	63,203	5,978,148	153,185	2,280,144	654,971,725
Toronto	....	9,833,089	6,784,094	....	65,596,087	....	273,678	1,329,134	20,576	10,825	3,426,387	52,005	261,488	331,827,512
Provincial	....	2,273,185	5,558,307	....	19,711,878	....	6,535	1,738,595	34,023	404,677	1,750,744	41,481	125,861	134,146,178
Commerce†	66,136,688	25,724,266	20,013,624	14,586,347	213,193,161	21,659,265	2,408,241	3,470,234	160,601	769,301	15,783,812	350,000	3,560,081	1,387,290,218
Royal‡	134,449,977	52,658,789	30,814,386	22,079,477	243,721,372	101,990,117	1,056,515	5,500,335	304,017	645,394	10,945,748	460,000	5,357,347	1,944,631,094
Dominion	5,208,507	4,435,493	4,209,678	4,205,487	72,380,796	726,283	902,312	254,036	18,083	48,615	4,795,184	68,621	383,084	325,947,987
Nationale	639,540	6,186,424	3,676,802	....	78,198,298	....	584,045	8,183,237	15,184	684,099	5,025,179	73,893	242,863	344,114,627
Imperial	....	6,337,828	8,641,351	....	92,983,994	....	1,080,582	770,760	13,054	....	5,694,814	70,762	71,596	387,211,886
Barclays	3,319,144	....	788,887	....	2,191,601	....	....	....	12,491	....	896,720	16,573	7,410	33,263,732
Total	318,441,962	177,874,709	115,202,285	74,409,822	1,147,716,135	154,098,277	9,432,066	30,863,862	949,034	3,431,013	64,965,131	1,695,799	15,489,976	7,269,819,178

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▪Includes mortgages.

ǂIncludes $180,887,087 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement—Footnote to The Royal Bank of Canada Return.

THE WEEK'S QUOTATIONS

Montreal and Toronto
Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Range 1946 High	Low	Div $ R'te	Aug 2 % Y'ld		Sales	Last week end. 26 July	H Aug. 2	L	Cl'se
22½	14	.	...	Abitibi n.	13450	18½	20½	18½	20½
21½	15½	.	...	Do. $1.50 pr n	9513	15½	18½	17½	18½
40½	35	.	...	Do. $2.50 pf n	1050	37½	39½	37	39½
24	20½	1.00	4.6	Acadia Atlan A.	395	21	22	21	22
107	103	5.00	4.8	Do. 5% pref.	5	105	106½	106½	106½
12	9½	.	...	Acme Glove n.	170	70	10½	10½	10½
41½	28	1.80	4.7	Agnew Surp.	107	37	37½	36½	37
26	19½	.	...	Algoma Steel	640	20	22	20	22

Range High Low 1946		Div $ R'te	Aug 2 % Y'ld		Sales	Last week end. 26 July	H Aug. 2	L	Cl'se
66	48½	a1.50	..	Fanny Farmer	470	55	58	56	58
9½	5½	.	...	Federal Grain	4670	8½	9½	8½	8½
120	89	■4.00	..	Do. pref.	735	116½	120	116½	120
7½	6½	.	...	Fittings	40	6½	7	6½	7
13	12½	.	...	Do. (A)	275	12½	13	12½	13
9	4	■.25	...	Fleet Aircraft	9045	7½	8½	7½	8
3.00	1.50	.	...	Fleu. Bissell	230	2.00	1.90	1.70	1.70
1.25	.40	.	...	For. Pr. Secs.	500	.65	.60	.60	.60
34	28½	1.40	4.7	Foundation Co.	90	31	30½	30	30

Range 1946 High	Low	Div $ R'te	Aug 2 % Y'ld		Sales	Last week end. July 26	H Aug. 2	L	Cl'se
30	25	■.50	...	Westeel	245	25	25	24½	25
36½	26½	.80	2.6	Weston, George	700	28	32	28½	31
108	104½	4.50	4.2	Do., 4½% pf.	10	105	107	105½	107
7.00	2.10	.	...	Willson Stat.	95	7.00	7.00	7.00	7.00
27	24	1.00	4	Wilsils	100	25½	25½	25½	25½
13	11	.	...	Windsor Hotel	18	12½	12½	12½	12½
21½	13½	.	...	Winnipeg El. A	3123	14	15½	14	15½
105	94½	5.00	5	Do. pref.	45	100	100	100	100
19	14½	.40	2.5	York Knitting	90	16	16	16	16

Mining Stocks

Oil stocks (continued):

Range 1946 High	Low	Div. Rate $	Aug. 2 Yield %	Company	Sales	Last July 26	High	Low	Close
.14½	.06	.....	....	High Sarcee	1,000	.06½	.07	.07	.07
4.40	2.75	■.15	....	Home	6,550	2.85	2.98	2.75	2.98
.11	.05	.....	....	Homestead	20,600	.07	.08	.06½	.07
.14	.05	.....	....	McD. Segur	4,000	.06	.07	.07	.07
.11	.04½	.....	....	Mercury	1,100	.05	.05½	.05	.05
.17	.06	.....	....	Midcont	15,700	.06½	.09	.06½	.08
.26	.16½	‡.02	....	Model	600	.18	.20	.18½	.18½
.07	.03½	.....	....	Oil Select	1,500	.04½	.05	.04½	.05
.90	.40	.....	....	Okalta	5,100	.40	.48	.41	.48
.18	.05	.....	....	Pacalta	13,600	.08	.08½	.07	.08
1.65	.70	.....	....	Pac. Pete	9,500	.71	.90	.70	.85
1.57	.80	.....	....	Roxana	7,800	1.00	1.05	.98	1.00
.05½	.03	.....	....	Royal Can.	3,000	.03	.03½	.03½	.03½
25.50	17.00	1.00	5.6	Royalite	165	18.00	18.00	18.00	18.00
.16½	.09	.....	....	Vanalta	2,000	.13	.14	.14	.14

▼Paid in 1944. •N. Y. Funds. †Paid in 1945. xExtra. ■Sub. appl. F.E.C.B. ▼Paid or payable in 1946. ‡Capital Repayment.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Aug. 5	154,700	....	33,019	940,000
Aug. 3	......	....	......	......
Aug. 2	126,000	551,000	49,260	970,000
Aug. 1	127,700	589,000	41,485	1,050,000
July 31	140,200	775,000	51,145	1,320,000
July 30	210,700	963,000	29,600	1,030,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Aug.2 Bid	Ask
Flin Flon	...	.03	.02½	.03
Forty-Four	...	.72	.70	.75
Gt. Y'fe (D) Warr.	...	2.50	1.40	..
Golconda	...	.22	.20	..
Gold Lake	...	.02	.01½	.01½
Grandview	‡.01	.20	.20	..
Hallnor Mines	‡.21	4.25	4.35	..
Int. Mining	...	10.00	..	..
Island Lake	...	.03½	.02½	.04
Knee Lake	...	.02½	..	.05
McGillivray C.	...	.21	.20	.25
Mentor Explorat'n	...	2.50	1.50	..
New Louvre	...	.22	..	.18
Normandy	...	.05	.4½	.05
North. Empire	†.10	2.30	1.50	2.25
Pacific East	...	.80	.50	..
Pacific Nickel	...	.15	.13	.16
Packsack	...	.02	.02½	.02½
Placer Devel.	†.50	19.00	..	..
Proprietary	‡.25	13.00	12.50	..
Prospectors Air's	...	.46	.36½	.90
Quebec Gold	...	1.35	1.42	1.55
Red Cloud	...	.02	..	..
Red Crest	...	.13	.10	.12
Rice Lake	...	.02	.02	.02½
Silbak Prem.	...	1.10	..	1.25
Silver R.	...	.30	..	.40
S. American G.	†*.20	1.10	..	..
Squaw Lake	...	.34	..	..
Star Lake	...	.02	..	.02
Sunloch	...	.02	..	..
Tiblemont	...	.25	..	.23
Toburn Gold	†.01	1.25	1.15	1.75
Uchi Bonds	...	34.00	31.00	35.00
Westville	...	.25	..	..
Winnipeg R. Tin.	...	.02	.00½	.01½
Oil Stocks:				
Admiral	...	.06	..	..
Advance	...	.01	..	..
Alliance	...	.08	..	..
Anaconda	...	.04½	.04½	.06
Arrow	...	.05	..	..
Coastal	†.03	.30	..	.26

■Paid or payable in 1946. xOn arrears. ▲N. Y. funds.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Aug. 6, 1946

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	105½	106
3	Mar. 1954	105½	106½
3	Nov. 1956	105½	106½
3	May 1957	104½	105½
3	Jan. 1959	104½	105
3	June 1960	104½	105
3	Feb. 1962	104½	105
2	Dec. 1946	100½	100½
2½	Mar. 1948	101½	101½
1½	Nov. 1946	100	100½
1½	May 1947	100½	100½
1½	Mar. 1948	100½	101
1½	Nov. 1948	100½	101
1½	Nov. 1950	100½	101
3	Oct. 1963	104½	105
3	Sept. 1966	104½	105
1½	Nov. 1949	100½	101
Dom. of Canada Bonds			
3½	Nov. 1951	103½	104
4	Oct. 1952	103	103½
3½	Feb. 1952	105	105½
3	Oct. 1952	103½	104½
3	June 1955	104	104½
4½	Nov. 1956	100½	101½
4½	Nov. 1957	103½	104½
3	June 1958	104½	105
4½	Nov. 1958	105½	106½
4½	Nov. 1959	108	108½
3½	June 1966	106	106½
3	Perpetual	103½	104½
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103½	104½
4½	Sept. 1951	112½	114½
4½	Feb. 1956	120	121½

%	Due	Bid	Ask
4½	July 1957	121½	123½
3	Feb. 1953	101½	102½
4½	June 1955	120½	122½
3	Feb. 1954	118	118½
5	Feb. 1970	115½	117½
5	Oct. 1969	115½	117
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	120½	122½
Grand Trunk Pacific Rly.:			
3	Jan. 1962	108	109½
4	Jan. 1962	119	120½
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	101½	...
3½	Aug. 1949	100½	102
3½	June 1956	104½	106
4½	Apr. 1961	119	121
5	Jan. 1960	123	125
Nova Scotia:			
3	Jan. 1952	103½	105½
3½	June 1956	104½	106
3½	Nov. 1950	105½	107
4½	Sept. 1952	102½	105
4½	Nov. 1960	121	123
5	Mar. 1960	125	127
Ontario:			
3	Nov. 1950	101½	102½
3½	Nov. 1951	104	105½
3½	May 1955	105½	107½
4	June 1962	118	120
4½	June 1950	109	110½
4½	Jan. 1962	124	126
5	Oct. 1948	106½	108
5	Dec. 1960	129	131
Ont. Hydro Commission:			
3½	Feb. 1953	104½	105½

%	Due	Bid	Ask
3½	Apr. 1947	101	102½
Prince Edward Island:			
4	Mar. 1954	102	108
Quebec:			
3	Nov. 1947	101½	102½
3½	Mar. 1948	101½	102½
3½	Mar. 1959	105½	107
4	Nov. 1952	106½	108½
3½	Feb. 1955	106½	108½
4½	Aug. 1958	113	115
4½	Jan. 1963	118	120
Alberta:			
3½	June 1964	101½	...
3½	June 1966	101½	...
3½	June 1968	102	...
3½	June 1972	102	...
3½	June 1978	102	...
British Columbia:			
4	Dec. 1967	117	114½
4½	Jan. 1951	109½	112
4½	Oct. 1953	113½	115½
5	Apr. 1954	117½	119½
6	Feb. 1947	102	...
Manitoba:			
4	Mar. 1957	112	116
4½	Dec. 1956	115½	117½
5	Dec. 1959	124	126
5	Oct. 1955	120	...
6	Apr. 1947	102½	...
Saskatchewan:			
4	Sept. 1954	101½	102½
4	Nov. 1960	103½	105½
4½	Oct. 1951	105	107
4½	Mar. 1960	108	110
5	Aug. 1958	112½	114½
5½	Oct. 1952	111	113
6	Mar. 1952	112	114

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co. Inc., Plaxton, McDonnell & Co., and Kamm, Garland & Co.)

Aug. 6, 1946

	Bid	Ask
Allens Toronto units	38.00	....
Anglo Can. Telephone A.	12.00	13.25
Brand. Henderson	13.25	14.25
British Mortgage and Trust	165.00	....
B. C. Sugar	95.00	99.00
Canada Machinery com.	17.00	19.00
Canada Paving 1st pfd.	7.50	....
Canadian Airways	4.00	4.50
Can. Ingersol Rand	62.00	66.00
Can. Investors Corp.	8.00	9.00
Canadian Motor Lamp A.	13.00	14.50
Can. Silk Products A	30.00	31.50
Can. West Nat. Gas com.	40.00	....
Can. West Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par.	76.00	....
Capital Wire Cloth pfd.	23.00	....
Cawthra Apts. units	4.00	....
Chase, A. W. units	33.00	....
Colonial Steamships com.	84.00	89.00
Commercial Finance com.	12.00	14.00
Commercial Life 10% paid	7.00	8.50
Commonwealth Inter. Corp.	3.93	4.29
Confederation Life Assoc. 30% paid	150.00	....
Continental Life 20% paid	38.00	....
Crown Trust & Guarantee	101.00	104.00
Detroit Internat. Bridge	15.00	16.50
Dover Industries Ltd.	12.75	14.00
Dunlop Tire pfd.	26.00	27.50
Eddy Paper (A)	22.00	23.00
Empire Life Ins. 25% paid	16.50	18.50
Federal Foundries & Steel Co. new com.	2.75	3.25
Foreign Power Co.	12.00	15.00
Galt Brass comm.	28.00	....
Goderich Elev. & Trans.	16.25	17.50
Great Lakes Power pfd.	114.00	116.50
Great West Life	410.00	440.00
Guardian Realty pfd.	34.00	....
Guaranty Co. of N. Amer.	350.00	....
Guelph and Ont. Svgs. $50	56.00	....
Gurney Foundry pfd.	3.25	4.00

	Bid	Ask
Hart Battery com.	8.75	9.75
Lambton Loan & Inv. $50	67.00	....
Loblaw Groc. Inc.	23.25	24.50
London & West. Tr. $100	96.00	....
Manufacturers Life Ins.	290.00	320.00
Midland Loan & Svgs. $10	18.50	....
Monarch Life Assoc. 30% paid	90.00	....
Monarch Mtge. Units	4.00	4.75
Montreal Island Pwr. pfd.	....	40.00
Montreal Trust Co.	93.00	....
Nat'l Drug & Chem. com.	9.75	10.75
New Brunswick Telephone	13.50	....
Ont. Beauty Supply com.	2.30	3.50
Ont. Beauty Supply pfd.	20.00	21.50
Ont. Tobacco plant units	37.00	....
Paramount Kitchener units	53.00	....
Provincial Bank of Can.	13.50	14.50
Provincial Paper pfd.	108.00	....
Prudential Trust	9.00	....
Ruddy E. L. pfd.	145.00	....
St. John Drydock pfd.	104.00	....
Sawyer Massey com.	2.25	3.25
Seiberling Rubber com.	12.00	....
Sincennes McNaughton Tugs	2.00	3.00
Sherbrooke Trust	120.00	....
Sovereign Life Assce 25%	27.00	....
Standard Fuel 6½% pref.	110.00	....
Standard Fuel com.	5.00	7.00
Sun Life Assce.	550.00	580.00
Third Can. Gen. Inv.	3.90	4.30
Toronto Carpet pfd.	98.00	....
Toronto General Ins.	6.00	6.75
United Farmers Co-op.	3.00	4.00
United Steel A pfd.	26.00	28.00
Victoria Trusts & Svgs.	119.00	....
Waterloo Mfg. com.	9.50	10.75
Western Assurance com.	68.00	69.00
Western Grain com.	1.85	2.25
Western Grain pfd.	41.00	44.00
York Trading com.	6.50	8.00

Unlisted Mines

Approximate quotations, 3 p.m., Aug. 2, subject to confirmation:

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abenakis	.06	.09	Detta	.21	.25	Lingnora	.11	.13	Phelps	[illegible]	[illegible]
Advance	.10	.13	Despina	.21	.24	Louvore	.03½	.04½	Pinnacle	.06	.07
Alb Riv n	.28	..	De Sant n	.06½	.08	Major Oil	.06	.08	Poona Go	[illegible]	[illegible]
Alcan	.06	.09	Dexter	.45	.55	Mallen	.17	.20	Preslor	.04½	[illegible]
Alexander	.16	.19	Dom Mal	.03½	.04½	Manter	.05½	.07	Privateer	[illegible]	.60
Aljo	.03	.04	Dona Pat	.02	.04	Marbenor	.29	.31	Quest	[illegible]	.29
Ama Kir	.11	.13	Doris	.29	.32	Marquet	.03	.05	Rajah RL	.07	[illegible]
Anna'que	.05	.07	Eastward	.28	.32	Mar Bird	.10	.12	Rambull	.03	.05
Camlaren	.09	.11	Independ't	.12	.14	Norcourt	.13	.15	Tobico	.03	.05
Carlmac	.27	.30	Indyke	.10	.15	Norford	.06	.09	Tovarich	.00½	[illegible]
Carricona	.05½	.07	JoannesD	.05	.07	Normar	.09	.11	Typhoon	—	.25
Cassidy	.20	.23	Kamlac	.40	.17	Nortyne	—	.08	Val d'Bel	.04	.06
Cen Mani	.06½	.08	Kencour	.04	.06	Novele P	.07	.09	Vin Min	.09	[illegible]
Cheskirk	.11	.14	Kenda Pe	.33	.35	Obalski	.16	.18	Vinray	.19	.22
Chimco	.45	.50	Kenroy	.05	.07	do 1945	.42	.45	Virginia	—	.29
Cock RL	.07	.08	Lk Rowan 1945	.22	.25	Oklend	.09	.10	Wesley	.02	.03
Columbier	.16	.17	Lk Expa	.08	.11	Olivet	.03	.04	West RL	.09	.11
Con Chib.	.28	.32	Lar-Add	.04	.06	Opemiska	.17	.20	W Shore	.03	.05
Con Cop	.21	.23	Laud U	.06½	.08	Orpit	.07	.09	Wilwood	.04	.06
Courageo	.12	.16	La Salle	.16	.18	Ortona	.05	.07	Winchest	.12	.15
Craibbe	.23	.27	Lavalie	.08	.09	Pascalis	.22	.26	Wingait	.14	.17
Croydon	.09	.11	Legardo	.03	.05	Peg Tan	2.35	2.50	Yel'knife	2.75	2.90
Cuyuni	1.10	1.20				Pelangio	.17	.18	Y Davids	.21	.22
Deriak	.05	.07									

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	10	8	4	4	9	13	8	16	14	8	19	100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	133.7	214.4	138.5	441.7	168.3	148.2	136.3	149.0	128.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	80.2	80.0	65.2	61.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.6	90.0	183.7	127.8	357.6	148.0	125.7	121.6	148.6	128.5
Feb.	172.9	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	146.0	121.3
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
Apr.	207.0	277.3	141.4	84.6	200.2	134.6	353.8	160.6	124.8	132.6	145.4	125.1
May	205.7	278.3	140.8	74.7	208.3	136.6	410.6	164.0	117.8	134.2	140.7	124.6
June	202.1	282.5	141.7	73.1	210.3	136.4	410.3	167.0	110.0	135.0	138.4	123.3
1946: Weekly Figures:												
July 4	197.9	275.2	142.9	72.8	209.6	135.6	425.0	162.9	113.5	136.3	138.6	123.3
July 11	192.5	272.1	142.0	72.4	208.4	134.9	441.7	159.9	112.3	136.3	134.1	120.7
July 18	191.3	263.6	142.3	72.1	205.6	134.0	431.4	157.0	108.1	135.9	131.3	118.6
July 25	183.6	255.4	138.7	70.0	202.5	132.4	418.0	151.2	106.2	134.8	127.6	115.3
Aug. 1	184.5	264.3	133.9	71.5	206.0	132.9	434.9	155.3	106.8	133.1	129.6	117.8

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Aug. 5	.....	.....	.....	.....
Aug. 3	.....	.....	.....	.....
Aug. 2	199.57	103.84	89.48	24.53
Aug. 1	199.49	104.09	88.93	24.38
July 31	198.20	104.98	89.60	24.30
July 30	197.41	104.69	88.63	23.89
Month ago	206.22	116.92	97.90	25.58
Year ago	149.33	123.71	83.16	28.80
1946 High	207.83	147.31	108.20	33.69
1946 Low	178.73	96.50	84.98	22.72

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	20 Comb.	10 Pprs.	15 Golds
Aug. 5	77.2	138.5	118.3	362.18	80.39
Aug. 3	...	.....	.....	.....	.....
Aug. 2	77.2	138.7	118.2	360.33	80.23
Aug. 1	77.7	138.1	118.0	353.81	80.22
July 31	77.8	138.4	118.2	358.72	79.96
July 30	76.7	137.0	116.9	348.67	79.97
Month ago	77.9	141.7	120.5	366.02	83.08
Year ago	65.7	103.1	90.7	192.56	91.87
1946 High	83.9	149.4	236.7	410.80	118.36
1946 Low	73.5	126.3	109.4	304.39	77.16

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Aug. 5	201.93	62.53	41.50	74.85
Aug. 3	.....	.....	.....	.....
Aug. 2	202.82	62.63	41.50	75.07
Aug. 1	202.26	62.30	41.54	74.85
July 31	201.56	61.86	41.32	74.52
July 30	199.40	61.85	40.67	73.87
Month ago	206.62	65.05	41.61	76.72
Year ago	163.19	57.36	32.45	62.34
1946 High	212.50	68.23	43.74	79.44
1946 Low	186.02	60.41	37.97	69.81

Grain Prices

Winnipeg Grain Futures

Week to Aug. 3, 1946

Crop year from Aug 1, 1945 High	Low		High for week	Low for week	Close Aug. 3
		Oats*			
.51⅛	.51⅛	May	.51⅛	.51⅛	.51⅛
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
2.87	1.50⅞	Oct.	2.36½	2.21½	2.21½
2.77⅜	1.81⅛	Dec.	2.23¾	2.08	2.08¾
2.25	2.11⅜	May	2.25	2.11⅜	2.11⅜

*At ceiling.

Cash Quotations

	For Week Aug. 3 High	Low	Prev. week High	Low
Oats*				
2 C. W.	.51⅛	.51⅛	.51⅛	.51⅛
3 C. W.	.51⅛	.51⅛	.51⅛	.51⅛
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	3.00	2.31½	2.90	2.79

*At ceiling.

Stocks Not Traded (Cont'd)

McLeod	...	.05	..	.06
Merland	...	.02	..	..
Mill City	...	.06	..	..
National Petrol.	‡.01	.15	.11	..
New Ranch	...	.01½	..	..
Nordon	...	.19	.18	.24
Phillips P.	...	.02½	..	..
Princess P.	...	.07½	—	—
Richfield	—	.01	..	..
Richland	...	.04½	..	..
Royal Crest	—	.06½	..	—
Share Roy.	...	.02½	—	..
So. Brazeau	...	.04	..	..
South End	...	.10	..	..
South West Pete	...	.20	..	..
Spooner	...	.07½	..	..
Sunset	‡.01	.09	.08½	..
Superior	...	.20	..	..
Texas Can.	...	1.25	1.25	1.40
Trans Alta	...	.03	..	..
Turner V.	...	.14	..	..
United Oils	...	.08	.07	.10
Vulcan	...	.22	.18	.25
Warner	...	.00½	..	..
Wellington	...	.03½	..	..

†Paid in 1945. ‡Paid or payable in 1946. *N.Y. funds.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Beauharnois L. H. & P.	4½%	1963	Sept. 3	102
‡B. A. Oil	2½-2¾%	1946-48	Sept. 3	100½
‡Do.	3%	1949	Sept. 3	102
‡Do.	3½%	1948	Sept. 3	100½
‡Do.	3½%	1953	Sept. 3	101
‡Do.	2½-3½%	1953	Sept. 3	100½
‡Do.	2-2½%	1955	Sept. 1	100½
‡Can. Theatre	5%	1951	Sept. 1	100
Dom. El. Pr., A	4½%	1964	Sept. 1	102
‡Gt. Lakes Pap.	5%	1955	Oct. 1	102
Gt. Lakes Pwr.	5%	1959	Aug. 6	102½
Maritime Elec.	5½%	1956	Oct. 1	101½
Do.	4½%	1956	Oct. 1	101½
‡McColl-Fr. Oil, A	4½%	1949	Oct. 1	101
Paton Mfg.	4½%	1956	Sept. 1	102

‡All outstanding.

Bond Tenders

12 noon, Aug. 8, 1946, Canada Treasury Bills — $75,000,000, dated Aug. 9, payable Nov. 8, 1946.

Dividends Declared

	This payment $	Date payable	Date of record
Acadia-Atla., A ..	.25	Oct. 1	Sept. 10
Do., 5% pfd.	1.25	Sept. 16	Aug. 20
Agnew Surpass ..	.45	Sept. 2	July 31
Aluminium Co. of Can.	.25	Sept. 1	July 31
Aluminium	2.00	Sept. 5	Aug. 9
Do. 6% pfd.	†1.50	Sept. 1	Aug. 2
Argus, 4½% pfd. .	1.12½	Sept. 3	July 31
Aunor Gold	.05	Aug. 31	Aug. 9
Bath Pr.	.25	Sept. 2	Aug. 2
Bk. Can. Nat.	.17½	Sept. 3	Aug. 15
Bk. of Montreal ..	.20	Sept. 3	July 31
Bk. of Toronto ...	.25	Sept. 3	Aug. 15
Barber-Ellis . .12½+.12½		Sept. 15	Aug. 31
Beaver Lumber, pf.	1.75	Oct. 1	Sept. 10
Belding Cort.	1.50	Oct. 1	Aug. 31
Do., 7% pf.	1.75	Oct. 1	Aug. 31
Bertram & Sons, A	*.25	Aug. 15	July 31
B. A. Oil	.25	Oct. 1	Sept. 5
Borden Co.	†.50	Sept. 3	Aug. 12
Br. Am. Bk. Notes	.25	Sept. 15	Aug. 15
Bruck Silk	‡.30	Sept. 15	Aug. 15
Can. Cr. Stone	.10	Sept. 20	Aug. 30
Can. Dry	*†.15	Oct. 1	Sept. 11
Do., pfd.	†1.06¼	Oct. 1	Sept. 11
Can. Fairbanks ...	.25	Sept. 3	Aug. 15
Can. For. Inv. Corp.	‡.75	Oct. 1	Aug. 20
Can. Tire	.25	Sept. 1	Aug. 20
Can. N. Pwr.	.15	Oct. 25	Sept. 20
Do., 7% pfd.	1.75	Oct. 15	Sept. 20
Can. Wire, A	1.00	Sept. 15	Aug. 31
Do., B	.25	Sept. 15	Aug. 31
Can. Breweries ...	.37½	Oct. 1	Aug. 31
A. W. Chase, pfd. ..	.50	Aug. 10	July 31
Cockshutt Plow ..	.25	Dec. 2	Nov. 2
Confed. Life	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Crown Cork	.50	Aug. 15	July 15
Can. Food Prod....	.12½	Oct. 1	Aug. 31
Do., pf.	.25	Oct. 1	Aug. 31
Can. Oil	.15	Aug. 15	Aug. 1
Do., 8% pf.	2.00	Oct. 1	Sept. 20
Do., 5% pf.	1.25	Oct. 1	Sept. 20
Can. Utilities	‡1.25	Aug. 15	July 26
Commonwealth ...	.04	Aug. 15	July 15
Con. Press .... .25+.05		Oct. 1	Sept. 21
Candn. Car	.20	Aug. 22	July 29
Do., pf.	.25	Aug. 22	July 29
Commoil	.00½	Aug. 26	Aug. 10
Cons. Glass	.50	Aug. 31	July 30
Cosmos Imp. M. ...	.30	Aug. 15	July 31
Dom. Anglo Invest. 5% pf.	1.25	Sept. 2	Aug. 15
Dom. Bridge	.30	Aug. 24	July 31
Dom. Envel., pfd.	.87½	Sept. 1	Aug. 15
Dom.-Scot. Inv. pf.	.50	Sept. 2	Aug. 1
Dom. Stores	.25	Sept. 14	Aug. 17
Donahue Bros.	*.25	Sept. 1	Aug. 15
Donnacona P.	1.12½	Aug. 15	July 15
Federal Gr., pfd. .	2.50	Aug. 31	Aug. 16
Gen. Steel Wares .	.20	Aug. 15	July 17
Hallnor Mines	.07	Aug. 31	Aug. 9
Hamilton Cotton ..	.22½	Sept. 3	Aug. 9
Hud. Bay	.50	Sept. 9	Aug. 9
Imp. Tobacco	.10	Sept. 30	Aug. 13
Do., pref.	3%	Sept. 30	Aug. 13
Imp. Varnish	.15	Sept. 2	Aug. 21
Do., pref.	.37½	Sept. 2	Aug. 21
Inter. Holdings ...	.50	Aug. 15	July 15
Intnl. Utilities	.22½	Sept. 3	Aug. 14
Inv. Foundation, pf.	.75	Oct. 15	Sept. 16
Kerr-Addison	.05	Aug. 28	July 31
Kerr Lake M.	.05	Aug. 23	Aug. 9
Lake of Woods..	.30	Sept. 3	Aug. 3
Do., 7% pf.	1.75	Sept. 3	Aug. 3
Lamaque G. Mines	.08	Oct. 1	Aug. 26
Langley's 7% pfd.	.50	Sept. 11	Sept. 4
Do.	.50	Dec. 11	Dec. 4
Laura Secord	.20	Sept. 2	Aug. 1
Leitch Gold	.02	Aug. 15	July 31
Loblaw Groc.	†.20	Aug. 31	Aug. 9
Loblaw Gr., A & B	.25	Sept. 2	Aug. 7
Louisiana Land ..	†.15	Sept. 13	Aug. 30
G. Mackay, A & B	*.12½	Sept. 14	Aug. 16
Maple Leaf Gard.	.70	Aug. 15	Aug. 1
Monarch Knit ...	▪.20	Oct. 1	Aug. 31
Do., 5% pf.	1.25	Oct. 1	Aug. 31
McIntyre Porc. ..	.55½	Sept. 3	Aug. 1
Mtl. Cottons	.13	Sept. 14	Aug. 15
Do., pfd.	.44	Sept. 14	Aug. 15
Moore Corp.	.55½	Oct. 1	Aug. 30
Do., A & B pfd.	†1.75	Oct. 1	Aug. 30
Nat. Biscuit	.30	Oct. 15	Sept. 10
Do. 7%	1.75	Aug. 31	Aug. 13
Noranda	1.00	Sept. 14	Aug. 15
Ogilvie Flour	.25	Oct. 1	Aug. 28
Do., 7% pf.	1.75	Sept. 3	July 26
Ont. Steel	.25	Aug. 15	July 15
Do., 7% pf.	1.75	Aug. 15	July 15
Photo Eng.	1.00	Sept. 14	Aug. 15
Penmans	.75	Aug. 15	July 15
Power Corp., 1st p.	‡1.50	Oct. 15	Sept. 20
Do., 2nd pfd. ...	‡.75	Oct. 15	Sept. 20
Proprietary M. ..	.05	Sept. 5	Aug. 8
Quebec Pwr.	.25	Aug. 26	July 18
Regent Knit.	.25	Oct. 15	Sept. 15
Reg't Knit $1.60 p.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 2	Nov. 2
Rolland Paper	.15	Aug. 15	Aug. 1
Do., 4¼% pfd. .	1.06¼	Sept. 16	Sept. 2
Royal Bank	.30	Sept. 3	July 31
Shawinigan Wtr. .	.25	Aug. 26	July 18
H. Simon & Sons.	.30	Sept. 3	Aug. 5
Do., 5% pf.	1.25	Sept. 3	Aug. 5
Simpsons, A	.50	Aug. 26	Aug. 1
Do., B	.50	Aug. 26	Aug. 1
Do., 4½% pfd.	1.12½	Sept. 16	Aug. 15
Southern Can. Pr.	.20	Aug. 15	July 19
Do., 6% pfd.	‡1.50	Oct. 15	Sept. 20
Stanley Brock, A .	.15	Nov. 1	Oct. 15
Do., B	.10	Nov. 1	Oct. 15
Stan. Chem. 5% p.	1.25	Sept. 1	July 31
Stan. Paving, pfd.	.31¼	Oct. 1	Sept. 2
Stuart Oil ...... .20+.25		Sept. 1	Aug. 15
Southam Co.	.19	Aug. 15	July 15
Teck-Hughes	.05	Oct. 1	Aug. 26
United Corp.	.38	Aug. 15	July 15
Do. (B)	.25	Aug. 30	July 31
Unit. Fuel 6% A p.	.75	Oct. 1	Sept. 10
Unit. Grain Grow.	1.00	Sept. 1	July 17
United Steel	.17½	Sept. 16	Aug. 30
Viceroy	.07	Sept. 16	Sept. 9
Waite Amulet	.15	Sept. 10	Aug. 9
Wellington Fire	1.75	Aug. 15	Aug. 12
G. Weston, 4½% pf.	1.12½	Sept. 2	Aug. 15
York Knit. M.	.20	Aug. 15	Aug. 2
Do., 1st pfd.	3.50	Aug. 15	Aug. 2
Do., 2nd pfd.	3.50	Aug. 15	Aug. 2

†N. Y. funds.
*Initial.
▪For period June 1-Sept. 30.
‡Sub. appr. F.E.C.B.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.68	$12.83	$12.09
Hogs	20.85	20.83	18.97
Copper, lb.	.14⅜	.14⅜	.12
Sugar, raw, lb. .	*.04205	.04205	.04205
Coffee, lb.	*.1145	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	124.1	124.2	105.8
Dow Jones	121.95	125.25	100.36
Fishers	132.4	131.4	116.0
Monthly Indices			
Retail (June)	123.6	122.0	119.6
W'sale (June) ..	123.3	124.4	102.5
U. S. (May)	111.0	110.2	106.0
Gt. Brit. (Apr.) ..	172.5	171.9	167.7

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee. Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Municipal Bonds

Aug. 6, 1946

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1965	107¼	108¾	2.90
Hamilton ..	5	1950	109	110½	2.25
Montreal ..	3	1950	100	101	2.77
Ottawa	3	1953	105¼	106¾	2.00
Quebec	3	1964	100	102	2.85
†Quebec ...	5	1959	119	...	...
Saint John .	5	1950	109¼	111¼	2.35
†Toronto ..	4½	1955	116	...	...
†Vancouver.	5	1970	131	...	...
Winnipeg ..	7	1950	112	114	2.25

†Payable Canada and New York.

RECORD OF FINANCING

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporations and Foreign Securities

Bond Issues

Avalon Telephone — 3½% due Aug. 1, 1966, $1,350,000, dated Aug. 1, 1946, at $101 and accrued interest. Sold to W. C. Pitfield & Co.

St. John Dry Dock and Shipbuilding—2%, due Jan. 5, 1947, to 1959, $2,343,187.54, dated July 5, 1946, at $99½ and accrued interest. Sold to Dominion Securities Corp.

Stock Issues

Northwest Industries — 80,000 common shares (no par value) at $10 per share. Offered by W. C. Pitfield & Co.

Auto Fabric Products — 25,000 cumulative nonredeemable class A shares (no par value) at $11.50 per share, to yield 5.22%, and 25,000 class B shares (no par value) at $5.50 per share. Offered by Burns Bros. & Denton.

Renfrew Textiles—25,000 class A shares (no par value) at $11 per share, to yield about 5.45%. Offered by Traviss & Co.

McCarthy Milling—26,060 class A shares (no par value) at $10 per share, to yield 5.50%, and 13,030 class B shares (no par value) at $3.50 per share. Offered by Milner, Ross & Co.

DIVIDEND NOTICES

BANK OF MONTREAL

ESTABLISHED 1817
DIVIDEND No. 333

NOTICE is hereby given that a DIVIDEND of TWENTY CENTS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after TUESDAY, the THIRD day of SEPTEMBER next, to Shareholders of record at close of business on 31st July, 1946.

By Order of the Board,
B. C. GARDNER.
General Manager.
Montreal, 16th July, 1946.

The Bank of Toronto

DIVIDEND NO. 260

Notice is hereby given that a **Dividend of Twenty-five Cents** per share on the Paid-Up Capital Stock of this Bank has been declared for the current quarter, payable at the Head Office of the Bank and its Branches on and after the third day of September next, to shareholders of record at the close of business on August 15th, 1946.

By Order of the Board.
B. S. VANSTONE,
General Manager.

CANADA DRY

DIVIDEND NOTICE

The Board of Directors of Canada Dry Ginger Ale, Incorporated, at a meeting thereof held on July 23, 1946 declared the regular quarterly dividend of $1.0625 per share on the $4.25 Cumulative Preferred Stock and an initial dividend of $0.15 per share on the Common Stock of the par value of $1.66⅔ per share; both payable Oct. 1, 1946 to stockholders of record at the close of business on Sept. 11, 1946. Transfer books will not be closed. Checks will be mailed.

WM. J. WILLIAMS,
V. Pres. & Secretary

BANQUE CANADIENNE NATIONALE

Quarterly Dividend

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of August, 1946. This dividend, bearing the number 222, will be payable at the Main Office or at the branches of the Bank, on or after the 3rd day of September, 1946, to the shareholders of record on August 15, at 3 p.m.

By order of the Board,
CHARLES ST. PIERRE,
General Manager.

The Corrugated Paper Box Company, Limited

PREFERRED STOCK DIVIDEND

Notice is hereby given that a dividend of $1.25 per share has been declared on the Preferred Stock of the Company, payable on the 2nd day of September, 1946, to shareholders of record at the close of business on the 15th day of August, 1946.

Dated this 1st day of August, 1946.
E. R. BLUETHNER,
Secretary.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Aug. 6, 1946

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▪Alg Cen. H.B.R.	5	'59	57	60	57
†Assoc. Tel. & T.	5½	'55	105	107½	105
B. C. Pwr.	4½	'60	102	104	102
Do.	4	'65	102	104	102
†Calgary Pwr. ..	5	'60	104½	...	104½
Do.	5	'64	103½	106	103½
Gatineau Pr. A	3¾	'69	104	...	104
‡Do., B	3¾	'69	104	...	104
Gt. Lakes Pwr.	4½	'56	102	104½	102
Do.	5	'57	102	104½	102
*Int. Hydro-El..	6	'44	99½	102½	99
L. St. Law. Pr.	3¾	'65	102½	105	102
Mtl. L. H. & Pr.	3½	'56	101½	103½	101½
Do.	3½	'73	100	102	100
Do.	3½	'63	102	104	102
†Mtl. Tramways.	5	'51	101½	104	101½
†Do.	5	'55	100	102½	100
Natl. Lt. & Pwr.	4½	'61	102	...	102
Otta. L. H. & P.	4	'57	102½	...	102½
Ottawa V. Pwr.	5	'59	101½	...	101½
Do.	4	'64	105½	...	105½
†Power Corp. ..	4½	'59	104½	...	104½
Quebec Pwr. ..	3	'62	100	102	100½
St. Maurice Pr.	3¾	'70	102½	104½	102½
Shaw. W. & Pr.	3	'61	100	102	100½
Union Gas	4½	'50	100½	103	100½
†United Secs. ..	3	'52	99	102	99
†Wpg. El. Ser. A	2¾	'71	102	104	102
Industrial and Realty Issues:					
†Abitibi Pr. P..	5	'65	99½	102	99½
Acadia-Atlantic Sugar	3¾	'65	102½	105	102½
Algoma Steel ..	5	'48	102	...	101½
†B. C. Pulp & P.	6	'50	100½	103	100½
‡†Do.	7	'50	100½	103	100½
Brown Co.	5	'59	100½	103	99½
Burns & Co. ..	4	'62	101	103	101
Can. Celanese.	3½	'59	102	...	102
Can. Cement ..	4½	'51	101	103	101
Can. Electric ..	4½	'65	101½	...	101½
Can. Steamship	3½	'57	102½	104½	102½
C. W. Lumber	4	'62	102	104½	102
C. P. R.	3½	'51	104	...	104
Do.	4	'49	105	...	105
C. P. R.	4	Perp.	113½	...	113½
†Consol. Paper .	5½	'61	101	103½	101
Dom. Coal	4½	'52	101	103½	101
Dom. Scot. Inv.	4	'52	101	...	101
Dom. T. & Ch.	3½	'57	101	...	102
Dom. Textile ..	3½	'59	102	...	102
Dom. Woollens	5	'64	102½	105	102½
†Donnacona Pp.	4½	'56	100	102½	100
*Dryden Pap. ..	4	'61	101½	104	101½
†Federal Grain..	4	'64	102	104½	102½
*Great L. Paper	5	'55	102	...	102
*Gurney Fdry...	5½	'49	100	103	100
†Gypsum Lime .	5½	'48	100	103	100
Ham. Cotton..	3¾	'59	100	...	100
Inter-City Bak.	5½	'48	100½	...	100
Indust. Accept.	4	'52	101	...	101
Ins. Ex. Bldg...	3	'51	98½	101½	98½
*Inv. Bond & Sh.	5	'47	95	98	95½
Lake St. J. P..	5½	'61	102½	104½	102½
Do.	5	'61	102	104	101½
Legare	6	'61	100½	...	100½
MacMillan (H.R.) Export	4	'65	102½	...	102½
Maple L. M. ..	3¾	'63	102½	104½	102½
Man. Sugar ...	5	'60	102½	...	102½
Massey-Harris.	3	'66	100	102	100
McColl-Fron. .	4½	'49	101	...	101
McCormicks ..	4	'52	101½	...	101½
Mercury Mills.	4	'59	101½	...	101½
Moirs Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	96	99	96½
N. S. Stl. Coal.	3½	'63	98½	101½	98½
Price Bros.	3½	'68	103	105	103
*Prov. Paper ..	5½	'47	100	...	100
Silv. Dairies ..	4	'60-64	101½	104	101½
Simpsons, Ltd..	3½	'60	103	...	102½
Toronto Elevat.	3½	'66	101½	...	101½
United Corp...	4	'58	101	...	101
†Western Grain.	5	'63	99	102	99
York K. Mills.	3½	'71	99	101½	99

*Payable in Can. or U. S.
†Payable in Can. U. S. or U. K.
*Payable in U. S.
‡Payable in Canada only.
‡Traded without accrued interest.
▪Payable in Can. or U. K.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.38
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.10	5.65
Can. Invest. Corp.	8.00	9.00
Commonwealth Int.	3.88	4.26
Corporate Inv.	9.55	10.25
Trans-Canada (A)	14.90	....
Do. (B)	...	14.10

'Second Summer' Can Pay Big Dividends to Canada

(Continued from page 11)

solid for August, estimates good for September, but little business expected in October except in the bird-shooting areas.

Alberta — Big Banff and Jasper resorts operating at capacity, not expecting to accept further reservations before close of summer season Sept. 15, but many smaller resorts report space available as result of abnormally heavy cancellation rate; hotels at Brooks, Alta., booked solid for pheasant season opening Sept. 16 and heavy business expected in all shooting areas as practically all the well-known guides and outfitters have been engaged already.

Ontario Advertising

Ontario, through its new but budget-limited Ministry of Travel & Publicity, is the only province reported making a defiinte fall tourist business drive into the U. S. This month about 30 American newspapers and outdoor magazines will carry word of the province's "second summer" attractions. The outdoor magazines, of course, will stress good hunting; the general circulation ads. will be angled toward Americans who like clear blue northern skies and woodlands in fancy dress. A special word, addressed to hay fever sufferers, will point out that Muskoka is as sneezefree a place as they're likely to find.

Manitoba plans to maintain its customary program to keep its name before sportsmen as one of the best bird-shooting regions in the Dominion. Limited guest facilities and the fact that a declining waterfowl population this year is forcing a shorter open-shooting season, are offered as reasons for omitting a special fall tourist build-up. Feeling is Manitoba will get all the late season business it can handle, The Financial Post is told.

Tradition Is Strong

That's pretty well the story so far as Canada is concerned. The majority of tourist men in the country are staunch traditionalists, feel that the vacation season ends automatically when it's time for young Johnny and his sister to start back to school. In many cases a large part of their summer staff, recruited from high school and college ranks, is also called away by the sound of the school bell before the end of September. It's going to take a lot of talking to sell many resort men on a second summer season. Some of them are just tired, fed up, want a holiday themselves. And they've done it that way for years.

Tied in with this question of promoting a second summer in Canada is more than the essentials of making accommodation available and selling it with plenty of well-aimed ballyhoo. There's the added question of giving visitors something to do once the lakes are too cool for comfortable swimming. Not all of them will be thrilled nor even content to wander about admiring the vivid Canadian autumn. And not all, by a long shot, will be hunters.

So what then — Prince Edward Island has found an Old Home Week, harness racing, vaudeville, livestock exhibitions big drawing cards. Quebec has its inimitable old-worldliness. Ontario holds regattas, the West has its wild and woolly stampedes. There will have to be more of the same—folk festivals, sports contests both for participants and spectators, historic pageants, habitant fairs, dude ranching, and better tourist roads (both the extent and condition of our highways stand high on the list of suggestions to The Financial Post on improving the whole tourist industry)

DIVIDEND NOTICES

Lake Shore Mines Limited

(No Personal Liability)

DIVIDEND NO. 106

NOTICE is hereby given that, subject to the approval of the Foreign Exchange Control Board, a dividend of Eighteen Cents per share, on the issued capital stock of the Company, will be paid on the fourteenth day of September, 1946, to shareholders of record at the close of business on the fourteenth day of August, 1946.

By order of the Board.
KIRKLAND SECURITIES LIMITED
SECRETARY
Dated at Kirkland Lake, Ontario, August 1st, 1946.

Eddy Paper Company Limited

Notice of Dividend on Class A Shares

The Board of Directors has declared a quarterly dividend of 25 cents ($.25) a share on the outstanding Class A Shares of the Company, payable September 15th, 1946, to Shareholders of record at the close of business on August 15th, 1946.

Cheques in payment will be mailed to the Shareholders of record. Stock transfer books will not close.

R. F. CALDWELL,
Secretary.
Hull, Canada,
August 2nd, 1946.

ANGLO-CANADIAN TELEPHONE COMPANY

Class A Dividend

NOTICE is hereby given that a dividend of One and One-Half percent (1½%) has been declared on the Class A Stock of the Company, payable September 3, 1946, to Stockholders of record at the close of business on August 9, 1946.

By Order of the Board,
CAMERON HOUGH,
Secretary.
Montreal, July 10, 1946.

Borden's

DIVIDEND No. 146

An interim dividend of fifty cents (50¢) per share has been declared on the capital stock of *The Borden Company*, payable September 3, 1946, to stockholders of record at the close of business August 12, 1946.

E. L. NOETZEL
July 30, 1946 *Treasurer*

Imperial Tobacco Company of Canada, Limited

— DIVIDEND —

NOTICE IS HEREBY GIVEN THAT An Interim Dividend (No. 169) of Ten cents (10c) per share on the paid-up Ordinary Shares of the Company has been declared payable on Monday, the 30th day of September, 1946, to shareholders of record at the close of business on Tuesday, the 13th day of August, 1946.

A Semi-Annual Dividend (No. 69) of Three per cent (3%) on the paid-up Preference Shares of the Company has been declared payable on Monday, the 30th day of September, 1946, to shareholders of record at the close of business on Tuesday, the 13th day of August, 1946.

By Order of the Board,
A. L. ROBERTSON,
Secretary.
Montreal, P.Q.
26th July, 1946.

Stocks *Bonds*
Trading Facilities
All
Markets
ELGIN 9214
HUTSON & DINNICK
Members:
The Toronto Stock Exchange
12 Jordan St. Toronto

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Market Comment

Volume on Canadian stock exchanges this week was the lowest in a year. One whole session on the TSE saw only around 570,000 shares change hands. This, investment dealers say, is the usual summer market holiday with a vengeance. The lethargic market state was well illustrated when an important dividend announcement by a Canadian industrial produced just a fractional price increase this week.

Industrials effected a partial comeback from the previous week's 17-week low. But there is just no real pressure developing to either buy or sell, dealers say. This condition may very well continue for another two or three weeks with volume gradually improving, some brokerage houses are advising clients.

Several large Canadian base metal producers showed minor improvements as a result of recently announced silver price hoist in the United States and Canada.

Gold mines continue in a depressed condition on the market. Recent federal action will only help the marginal producers and those only moderately. One of the largest Canadian gold producers, Lake Shore, announced a 10% dividend cut this week.

* * *

Barron's (New York) The Trader: "Complexion of the new Price Decontrol Board should relieve all apprehension that the administration might attempt a return to the Bowles' unrealistic pricing policies. The three members are all thoroughly familiar with business points of view. Best opinion is that the Board will adopt liberal policies sympathetic with the intent of Congress. In any event, the new price-profits formula, while not so liberal as the original Taft provision, will assure good profits with mass production imminent in most lines. The new OPA is an outstanding milestone for postwar business.

* * *

Barron's (New York) The Dow Theorist: "The major trend is still regarded as up. It would be reaffirmed if the averages rose above this year's highs, but would be regarded as down if, before doing that, they should fall beneath the lows made in February and July."

* * *

New Highs and Lows

During the week ended Aug. 5 there were six new highs recorded among the "general" stocks traded on Canadian stock exchanges and 15 new lows. In the mining group there were five new highs and 26 new lows. There were no new highs and 7 new lows in the oil stocks.

GENERAL

New Highs—1946

Belding Cort.	Invest. Foundation
Can. Cottons pf.	Lake of Woods pf.
Fittings (A)	Taylor, P. & C., p.

New Lows—1946

Brant. Cord. pf.	C. Pwr. & P. In. p.
B. C. Turf	Cons. Textile
Can. Foundries B	Crown Dom. Oil
Can. Steamships	Ind. Accept.
C. Car & F'dry p A	Lowneys
Can. Industries, n.	Nat. Hosiery A
Can. Int. Inv. Tr.	Ont. Steel
	Pressed Metals

MINING

New Highs—1946

Akaitcho	Divers. M.
D'Aragon	MacFie
	Mylamaque

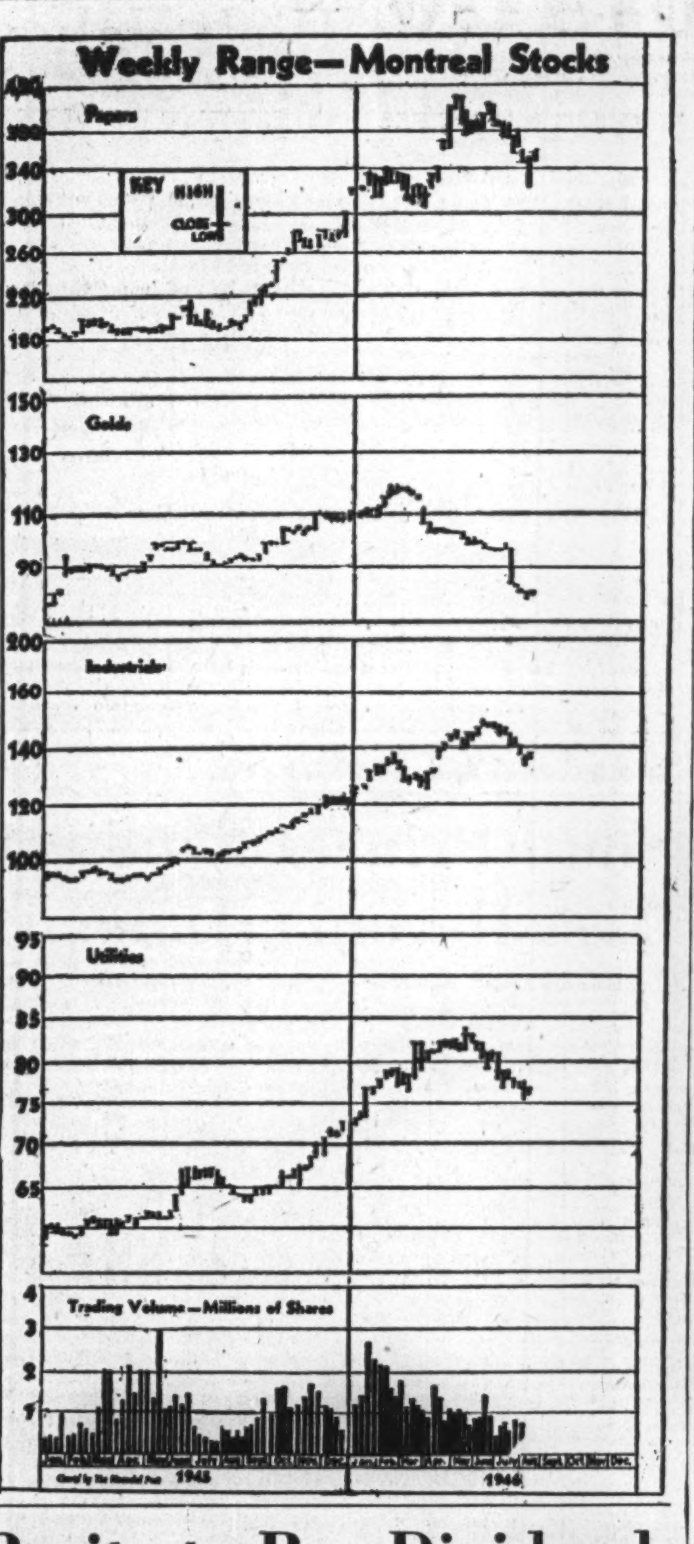
New Lows—1946

Anglo-Hur.	Kerr Lake
Ashley	Laguerre
Bobs Lake	McLennan C.
B.R.X. Con.	Mylamaque
D'Aragon	Nipissing
Elder	Norgold
Formaque	Pato Con.
Found Lake	Pitt G.
Goldale	Sturgeon R.
Graham B.	Towagmac
Great Falls	Tombill
Headway	Union Mining
Jacola	Wiltsey C.

OILS

New Lows—1946

Calmont	Pacific Pete



Parity to Pay Dividends In More Aluminum Sales

MONTREAL (Staff) — Revaluation of the Canadian dollar will probably cost the Aluminum Co. $1,000,000 annnally in exchange premiums, but company officials predict the loss may be more than made up by increased ingot sales to the United Kingdom and a 10% cut in the cost of materials imported from the United States.

Savings on U. S. exchange for materials, port charges, demurrage and power generation will probably amount to $250,000 a year. In addition, the immediate advantages include another saving of $92,000 annually in servicing its U. S. debt of $26,250,000. Thus the immediate loss is sliced to about $650,000.

More far-reaching and long-range in effect on the economy of the Aluminum Co., however, will be the increased ingot production to meet demands by U. K. exporters of fabricated aluminum products who, because of dollar parity, are now in a position to compete in foreign markets.

Advantages to Exporter

Revaluation by cutting the value of the pound sterling in terms of the Canadian dollar from $4.40 to $4.04, has given the U. K. exporter a competitive advantage in foreign markets. This means greater production in the secondary stage, which in turn means greater production in the first stage or in ingot production in which the Aluminum Co. is most interested.

Since the bulk of aluminum ingot imported to the United Kingdom is supplied by the Aluminum Co. the optimism of company officials appears justified. Last year the United Kingdom used 100,000 metric tons of aluminum ingot. Already this year, twice that amount has been purchased, suggesting even greater gains in the future.

Here is how the new $4.04 dollar-pound relationship works in relation to the Aluminum Co. Imports of ingot from Canada will now cost the United Kingdom 10% more. This will raise the cost of a single ingot from 12 cents to about 13.2 cents. But on re-export of this aluminum as fabricated products, the United Kingdom gains a 10% advantage on a 30-cent per pound item or three cents a pound.

Since approximately one pound of ingot is required for every pound of sheet aluminum produced, the United Kingdom stands to gain something like 1.8 cents a pound. This can mean the difference between small and large United Kingdom exports. To the Aluminum Co., it can mean the difference between large and small sales of ingots.

Concentrate on Ingots?

Before the war the United Kingdom supplied about 30% of Canadian demands for aluminum. Should this level be increased, the demand for ingots will rise accordingly; and at present the Aluminum Co.'s one big job is to dispose of its surplus ingot capacity.

Officials feel the company should concentrate on the production of ingots, with fabricated shapes produced largely in the United Kingdom or the United States. This is a practical application of the economic principle that a firm with an advantage in one type of production should produce that item.

The Aluminum Co. has that advantage in the production of ingots. The United Kingdom or the United States, because of the size of their fabricating capacity, are equipped to produce fabricated shapes more economically than Canada where limited market requires limited and relatively high-cost capacity.

The Aluminum Co., does produce fabricated products, however, but on a limited scale. Right now the Kingston plant is turning out all the sheet it can produce, 30,000,000 pounds annually, yet Canadian demands cannot be met. Thus there is a market here for United Kingdom or United States products, with the advantage being with the United Kingdom because of parity.

How the situation may develop in 10 or 20 years is pure speculation. Should the Canadian market be large enough, the Aluminum Co. may become fully integrated as Alcoa in the United States, and use all its ingot in production of finished aluminum forms.

Earnings Up 89% For M. & O. Paper

Consolidated net income of Minnesota & Ontario Paper Co. was $1,004,414 for the first six months of 1946 after provision for income tax and other reserves, president, Donald D. Davis announces. This is up 89% from the $529,296 for the same period in 1945.

Net sales for the first six months of 1946 were $14,809,317 ($12,367,-355 in the same period in 1945).

Earnings are equal to 75 cents a share for the six months of 1946, against 39 cents for the similar 1945 period. For the whole of 1945, earnings of $1.15 a common share were shown.

GOODYEAR TIRE & RUBBER CO. OF CANADA 4% preferred shares, par $50, were called for trading on the Toronto and Montreal Stock Exchanges on July 29, 1946, on a "if, as and when issued" basis.

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Akaitcho Drilling Gets High Values Reminiscent of Neighboring Giant

By GORDON M. GRANT

What could easily prove the most important Yellowknife gold discovery since Giant has been turned up on the property of Frobisher-financed Akaitcho Yellowknife Gold Mines adjoining to the north of the Giant property.

Values reminiscent of those in rich Giant drill holes have been secured in late Akaitcho holes. While it is too early to reach any definite conclusions as to what will be established, possibilities of mining greatness are undeniably there.

Seven holes drilled from west to east across a swampy depression in 1945 first disclosed a mineralized shear zone. But values were erratic in all save No. 4 hole which returned 1.02 oz. over 2.5 ft. The drilling was about 500 ft. north of the Giant north boundary.

Values were generally low but the zone was too good a bet to be abandoned without further work. A study by N. H. C. Fraser indicated that it had an easterly dip—in contrast to those on the Giant which mostly dip to the west. It was then decided to drill vertical holes on cross-section at right angles to the estimated strike of the zone. These holes have traced the zone approximately 600 ft. down the dip.

A marked improvement in values has been found in two cross-sections as depth has been reached. Instead of medium values, medium widths, ounce values and big widths have come in.

As will be seen from the values plotted on the drilling plan, the ore zone at one point reaches a sub-horizontal position so flat is the dip.

Values in two deep holes are strongly suggestive of the development of a thick high-grade ore zone. No. 38 which has gone the deepest in the more southerly cross-section has returned these values: 1.59 oz. over 18 ft., 0.27 oz. over 3.7 ft. and 0.32 oz. over 1.5 ft. What may be very significant is that this intersection was secured at just about the same vertical depth as No. 33 hole which gave the exceptional assay of 1.62 oz. over 16.7 ft. at a point 200 ft. to the north.

Deepening No. 34 Hole

No. 34 hole was put down 100 ft. east of No. 33 but failed to intersect the zone. A heavier drill has been secured and this hole will be deepened to at least 800 ft. There is a possibility that the zone may have steepened abruptly, or that the zone may be down-faulted on the east between holes 33 and 34.

Besides putting in the southerly cross-section, it is planned to put in a third cross-section of vertical holes 200 ft. north of the initial cross-section. These three series of holes are expected to determine the true attitude of the shear zone with some certainty.

Drilling at Akaitcho has given an entirely new conception of the geological situation, not only at Akaitcho, but at Giant Yellowksife also This new conception may be reflected in changed exploration technique in the future. The theory is the result of the work of N. H. C. Fraser who is directing operations for Frobisher on the Akaitcho property.

Helps Giant Yellowknife

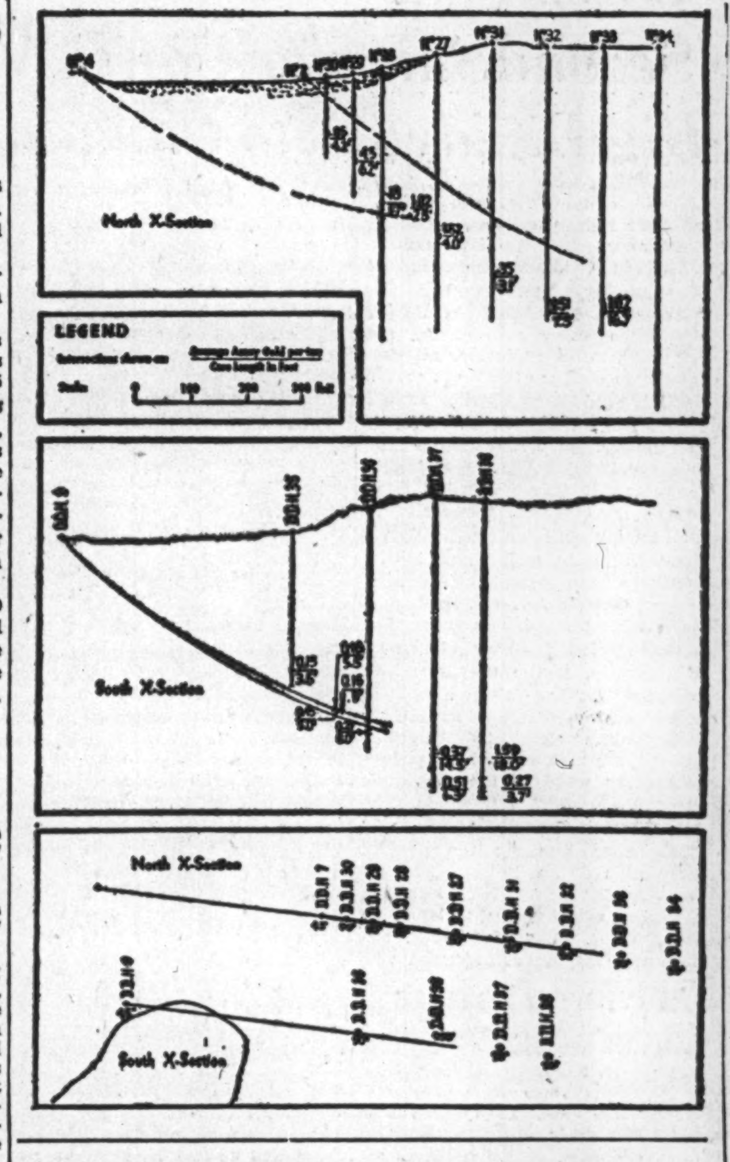
It is obvious that latest results on the Akaitcho improve the ore-making chances on the northern and as yet untested part of the Giant property. It also improves outlook for the large stretch of greenstones held by Frobisher to the north of Akaitcho again. With a second heavy duty drill added by Akaitcho it is expected that information will come more rapidly, although drilling to greater depths on some holes will be slower. A total of over 5,000 ft. of drilling has been completed in the present program with approximately 22,000 ft. of drilling altogether.

In hole No. 38, a standout, samples were taken over a width of 30.7 ft. There may be other values beyond those mentioned.

Akaitcho has an authorized capital of three million shares of which 1,700,005 shares are outstanding.

Frobisher Exploration Co. owns 700,000 shares and there are options outstanding on a further 1,249,995 shares at an average price of 55 cents a share. Vendors, A. E. S. Syndicate, received a million shares and it is expected that application will be made to the Ontario Securities Commission for release of the final 200,000 shares of these held in pool after exercise of the September option installment.

The company has about $50,000 cash on hand with accounts paid to June 30. A further $70,000 will be placed in the treasury with exercise of the Sept. 30 option installment.



OIL PRODUCTION

South Princess Syndicate Tests Devonian Dolomite

From Our Own Correspondent

CALGARY—South Princess Syndicate No. 2, NW lsd 4 4-19-11w4th, has indicated a potentially commercial oil discovery in the Madison limestone, providing the first important news of the year from the Princess area, and is now going on to the well's original objective, the Devonian dolomite. The well entered the Madison limestone at 3,271 ft., 14 ft. higher structurally than the Madison contact at the Empire-Pacific No. 2 Madison oil well six miles to the northwest. Slight porosity showed in contact core, gradually improved to 3,285 ft., where coring was halted for drill-stem test.

With Packer set at lime contact, 60-minute test was run. About 15 minutes after the 3/16-in. choke was opened, the well was clocked with a gas flow rate of just over 1,000 Mcf daily, flow settling to a rate of 500 Mcf daily as fluid entered the 4½-in. drillpipe. When pipe was pulled, it was found to contain a 480-ft. column—top 10 ft. being mud and the remaining 470 ft. clean crude oil, with no free water. (The influx rate indicated is about 6.5 bbls. per hr.). First gravity check showed 22.5 degrees API, but this gravity is expected to show up better (perhaps comparable with the 26-27 API oil found in the Madison at Empire-Pacific No. 2). The S.P.S. No. 2, before entering the Madison, tested a Basal Blairmore sand (depth not specified), which yielded 500 Mcf of gas. On August 1, the well was at 3,299 ft., with no further porosity showing. It is going on to the Devonian dolomite to determine possibilities before deciding on Madison production procedure.

S.P.S. No. 2 is the 2nd in a string of four scheduled joint ventures of a syndicate composed of eight companies with interests in the Princess area. The backers, and announced percentage interests, are: California Standard Co., 46%; Pacific Petroleums 17%; Princess Petroleums 10%; Empire Petroleums 8%; Globe Oil Co., Homestead Oil & Gas and Pacalta Oil Co., each 5%; and Phillips Petroleums, 4%.

* * *

New Test at Sweetgrass

Madison limestone oil production prospects in the Alberta-Montana border area, west of Coutts-Sweetgrass, received a boost last September when Admiral-British Dominion No. 1, 3¼ miles north of the border, obtained 28 API oil in the top of the lime at 3,094 ft.; dimmed when a follow-up well quarter of a mile north logged deeper and found water in the lime; brightened again this year when Carter Oil and Union of California tapped the Madison at a string of wells 7 to 11 miles south of the border, and developed commercial oil production in limestone breaks.

Following up the Madison oil search, six concerns have now joined for a new test on the Canadian side of the boundary, around 2½ miles south and west of the Admiral-British Dominion strike, and within 10 miles north and east of Carter's Madison Oilwells in North Montana.

New operation is being carried out by Admiral-Superior Syndicate, in which interest is divided: Admiral Oils 37½%; Superior Oils 12½%; Deep Oils 12½%; Crude Oils 12½%; and an unnamed company, 25%. For the first well, McColl-Frontenac Oil Co., Canadian affiliate of the Texas Company, is subscribing $10,000. If production is obtained, first $4,000 in revenue will accrue to the A-S Syndicate, after which McColl will get 25% of net until production equipment casing has been paid for, and then 50% of net until the balance of the $10,000 subscription has been recovered. Thereafter, full net return would accrue to the A-S Syndicate.

Initial well, Admiral - Superior Syndicate No. 1, has been staked in the centre of the southeast 10 acres of Lsd. 2 9-1-17w4th. Drilling contractor, General Petroleums, is moving in Diesel-powered rotary immediately, will probably spud in this week. Coring and testing operations will be supervised by Denton-Spencer Co., petroleum engineers. Completion depth (up to 100 ft. in the Madison) is estimated at 3,100 ft.

Admiral - Superior Syndicate holds a block of 1,760 acres in Sections, 3, 4, 9 and 10 of Twps. 1 Rge. 17w4th, surrounding the well-site. McColl-Frontenac's interest in, and contribution toward, the A-S No. 1 well stems from the fact that company geologized and seismographed the area, owns a quarter section in each of the sections in which the Syndicate has leases, plus an interest in considerable other acreage in the vicinity. The other principal lease holders in the vicinity of the A-S No. 1 well are Admiral Oils and British Dominion Oil & Development Corp.

* * *

New Ground Acquired

California-Standard Co. has added another 308,983 acres to its holdings on the Alberta plains—with three new Crown reservations acquired last week, one on the Central Plains, two on the South.

Through subsidiary Caloil Corp., Cal-Standard has taken a Crown oil and gas reservation covering 186,160 acres centring on the town of Castor, on the Central plains. The block is around 2 miles south of the Anglo-Home-C. & E. West Viking reserve and the Imperial-Kinsella holdings, and is around 55 miles west of the Imperial-Provost oil and gas strike. The Caloil rights are in Twps. 36 to 38 Rge. 13w4th; Twps. 36 to 39 Rges. 14 and 15w4th; and Twps. 37 to 39 Rges. 16 and 17w4th. Three wells have been drilled in the area covered by the Reserve, a shallow town of Caster gaswell, Hudson's Bay-Paintearth No. 1 and Shell-Chinook No. 1.

Through Caloil Corp., a Crown reservation on 58,200 acres has been acquired on the South plains, extending north and east from the town of Taber, starting within a few miles north and east of the East and West Taber oilfields. The rights are in Twps. 10 and 11 Rges. 14 and 15w4th; and Twp. 10 Rge. 16w4th. North Taber Royalties No. 1 and the Imperial-Purple Springs No. 1 are within the townships involved in the reserve.

Through subsidiary Conrad Exploration Co., Cal-Standard has taken a Crown reservation on 64,623 acres on the South Plains, extending east, north and south from the town of Carmangay. South part of the block is a township north and west of the Okalta-Keho No. 1 Venture, now drilling. There has been no drilling to date in the area reserved. Rights are in: Twps. 13 and 14 Rge. 22w4th; and Twps. 12 and 14 Rge. 23w4th.

* * *

McColl Takes Acreage

McColl-Frontenac Oil Co., Canadian affiliate of the Texas Company, has acquired from the Saskatchewan Government a Geological Reservation covering 241,760 acres in the southwest corner of that province, adjoining the Montana boundary and tying on to the north of the Texas Company's oil and gas rights on the Bowdoin Dome, in northeast Montana. E. Swain, Supervisor of Mines, states the reservation was issued effective June 10, 1946. Maximum term of the reserve is to March 9, 1948. It is understood that McColl will begin geological work on the reserve—first ever taken by that company in Saskatchewan—in the near future.

ELDONA GOLD MINES states in 1945 report that since taking over property, the company has completed 53,856 ft. of diamond drilling. A large percentage of drilling was in nature of wide-spread exploratory holes, following up indications presented by geophysical surveys of the property. Balance was concentrated in the area in and about "A" zone in order to determine its limits and potential value. With exception of those in "A" zone, no intersections of ore value were encountered. Shaft sinking to depth of 535 ft. has since got under way. Current assets were $110,158 and current liabilities totalled $26,391, at April 30. Investments were valued at cost of $189,070 [illegible]

Noranda Mines Earnings Fall

Estimated net profits of Noranda Mines of $3,270,000, or $1.46 a share in six months ended June 30, were off from $4,624,000, or $2.06 in similar period of 1945. Metal production and miscellaneous income totalled $7,160,000 ($9,285,000).

Copper production from the Horne mine amounted to 7,481 tons and gold output was 92,384 oz. (15,295 tons and 94,130 oz.). The drop was partly accounted for by a two-week shutdown of the smelter in June for purpose of repairs to the furnace and Cottrell plant.

Operations at the property were seriously hampered by shortage of labor, President James Y. Murdoch, states. This is due, in a large measure, to an acute shortage of accommodation in the area and is holding back the essential work of exploring and developing the property, without which a substantial increase in production is not possible, he adds.

Negotiations with Mine, Mill and Smelter Worker's Union (CIO) have made no progress since an increase of seven cents per hour was offered [illegible]

Philmore Yellowknife Vein 400-ft. Length

Examination of the comparatively unexplored Hnatiw vein on No. 9 Island of Philmore Yellowknife Gold Mines has shown a length of nearly 400 ft., open at both ends, President P. N. Moreland, states. The vein is reported to have widths of from two to three feet with narrower sections.

West end of the vein enters Slave Lake and continuity will be tested under the lake, while at east end the vein may connect up with an exposure on the shoreline some 1,200 ft. distant, he reports.

A mineralized parallel quartz vein, about 100 ft. to the north, is cut by a cross fault which may have thrown the vein in that direction. The exposure may be extension of this parallel vein, which has an indicated length of about 150 ft. to the fault and a width of from two to three feet. Engineers Wilson and Day have recommended immediate diamond drilling to verify indicated source of ore.

Some 760 ft. of X-ray diamond drilling has been completed on Johnston-Giauque area property. Assays are being checked.

Sherritt Hole No. 40 1.55% Ni. – 0.80% Cu.

Complete assays on deepening hole No. 40 into the lower "A" ore body of Sherritt Gordon Mines at Lynn Lake, Man., show 1.55% nickel and 0.80% copper from 845 to 1,145 ft. The hole, located 100 ft. east of hole No. 34, previously intersected ore in the upper "A" ore body from 15 to 67 ft. averaging 1.59% copper and 0.60% copper. The hole was stopped in diorite at 1,280 ft.

HALLNOR MINES realized an estimated net profit of $432,900, or 21.6 cents a share in six months ended June 30 ($350,735, or 17.5 cents in 1945 period). Gold production and miscellaneous income amounted to $1,079,900 from 55,119 tons milled, an average recovery of $18.89 ($863,452 from 45,459 tons and $18.24 in first half of 1945). Shaft has reached 2,893 ft. below the collar, with a further depth of 267 ft. to go. On completion of sinking, drifting will be started on 2,610-ft. level to explore ore possibilities indicated by diamond drilling below that horizon.

KERR LAKE MINES has declared a dividend of five cents a share, payable Aug. 23 to shareholders of record Aug. 9.

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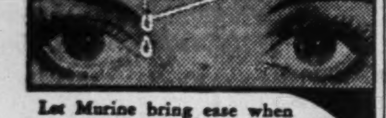

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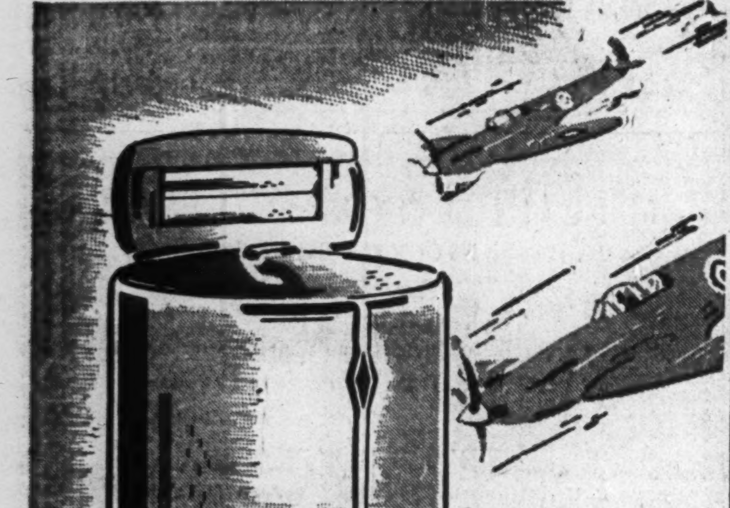

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Shifts in Gold Reserves Aid in Gold-Money Plans

A world war has accomplished what financial experts for years were unable to—a redistribution of the world's gold reserves.

Little countries which never had much of a stake in gold, neutral countries which were recipients of large war orders, and even Canada, have been able to build up reserves of gold to a level which didn't exist before the war.

Gold production naturally tends to swell the world's gold reserves but bulk of this small country building up of reserves is a direct outcome of heavy U. S. spending which, to a certain degree, found its expression in an outpouring of gold.

United States gold reserves — according to the U. S. Federal Reserve bulletin — have dropped almost $2.5 billions to $20.2 billions from the level reported shortly after Pearl Harbor, in Dec., 1941.

Most striking of the gains are those of Central and South America countries. Little Cuba, earlier this year, had a gold reserve of $201 millions against only a million before the U. S. entry into the war. Mexico has boosted its gold reserves five times—to $250 millions.

Brazil Away Up

Almost every South American country has been able to increase its gold reserves. Brazil, which late last month raised its exchange rate in relation to the U. S. dollar, has gold reserves of $361 millions against $70 millions at the end of 1941.

Colombia's gold reserves have increased more than $100 millions to $133 millions, in less than five years. Its neighbor, Venezuela, has increased its gold reserves by almost $200 millions since the end of 1940 despite disruptions in oil shipments. Uruguay's reserves are holding close to peak level of $195 millions. Argentina's reserves have been moving lower and amounted to $397 millions at last report.

Many European countries, e.g. France and the Netherlands, have experienced a substantial shrinkage in gold reserves, reflecting the drain war proved on their resources. But neutrals, such as Switzerland, Sweden, Turkey and Spain, are found with larger reserves today. The Swiss reserve total of $1,106 millions is more than double the figure of $502 millions at the end of 1940, reflecting that country's position as a haven for refugee capital.

Sweden, which enjoyed a period of unparallelled business during the war, trebled its gold reserves to $476 millions between December, 1940 and April, 1946.

Canada which had a gold reserve of $124 millions at the end of 1939 is only credited with a reported $7 millions of gold at the end of 1945 by the Federal Reserve System Bulletin. But at the end of 1945, the Canadian Foreign Exchange Control Board had gold reserves of $388.2 millions, an increase of more than $170 million for Canada in a six year period.

Recent loans of the United States to the United Kingdom, France, etc., will, it is believed, assist in maintaining a more equitable distributions of the gold's reserves. This is a definite objective if the gold standard is to be operative.

B Zone Clicks At North Inca

First Hole Returns 6 ft. of High Grade—A Zone Extended to 590 ft.

Diamond drill hole No. 40 J, first in series to test "B" zone at North Inca Gold Mines has cut a high-grade ore section across a true width of 6 ft., President W. J. McDonough states. Coarse free gold is said present in several sections of core from this zone, which is some three miles south of the "A" zone. The latter has shown a length of 590 ft. across 2.2 ft., averaging 0.63 oz.

The new zone is contained within a small island indirectly south of "A" zone, with the result that the two ore zones can be conveniently and inexpensively combined as one operation, the president states. A water-power site capable of producing up to 2,000 h.p. is available within 13 miles of the "B" zone to the south.

Intersection in "C" Zone

The No. 6 vein contained within the "C" zone, some 700 ft. to the northwest of "A" zone, has been intersected by one drill hole at a vertical depth of approximately 115 ft. One section in the hole gave 0.39 oz. across 3 ft. Additional holes are to be put down as soon as equipment is available.

Trans-American Mining Corp., the financing medium, is making a further $60,000 available to increase North Inca's treasury position to $150,000.

MINING CONCENTRATES

ARMISTICE GOLD MINES has completed over 400 ft. of crosscutting in east-west drives on 650-ft. horizon with a total of 3,800 ft. still to go to the west and some 1,300 ft. to the east.

• • •

BIDD CONSOLIDATED MINES was incorporated early this year to consolidate three groups of claims in the Yellowknife area, N.W.T., one group in the Red Lake area, Ont. and another group in Ducros twp., Que. Prospecting is being carried out on the properties.

• • •

BRYHERN EXPLORATION, DEVELOPMENT & MINING reports four zones being opened up by prospecting and exploration on Andrew Yellowknife Mines holdings at Russell Lake, Yellowknife. No. 2 zone appears most important and has been rock-trenched for a length of 3,600 ft. A program of 5,000 ft. of diamond drilling is expected to start shortly.

• • •

CORDELL GOLD MINES channel samples taken from its Missinabi property are reported to have run from $6 to $90. A crew of men and diamond drilling equipment have arrived at the property to proceed with further work.

• • •

CROWSHORE PATRICIA GOLD MINES has equipment on property to sink a shaft to recommended depth of 1,000 ft. A contract has been awarded and sinking under power is expected to start this month.

Development has been confined to "C" zone, due to labor shortage, where grab samples gave some high values and channel samples across 10 ft. gave values reported as averaging $10.50 for 145 ft. Five zones are said to be gold-bearing out of 10 located.

Exploration expenses in period May 17, 1944, to April 30, 1946, totalled $45,462 and general expenses were $6,129. Cash and bonds were $125,085 and current liabilities were $105, as at April 30. Since that date, an additional $50,000 has been paid into the treasury.

• • •

CLAREMONT MINES has acquired two adjacent claims to its original property, giving a total of seven claims. Following directors were elected at special meeting: Carl T. Bischoff, president and managing director; John H. Kroeger, vice-president; C. W. Willoughby, secretary-treasurer; Irving R. Picard and Rene Chenevert.

• • •

CONTINENTAL DIAMOND DRILLING & EXPLORATION CO. reports following development on its holdings: Completion of five drill holes by Herbdix Gold Mines and shipment of cores for assay; completion of eight drill holes by Aufron Mines on its Miminiska Lake claims; drilling of No. 1 hole on property in Keezhik Lake area to test extension of present surface showing and to determine possible existence of parallel occurrences; continuance of surface exploration on Wolfpack Yellowknife property.

• • •

CATHROY LARDER MINES advises that drifting is proceeding eastward on 520 drift in new area on 500-ft. level; westward on 220 drift in "E" zone on 250-ft. horizon and westward on 512 drift in "E" zone on 500-ft. level.

• • •

DUTHIE MINES (1946) has let a contract calling for 5,000 ft. of diamond drilling on its acreage near Smithers, B.C. A crew of 10 men is engaged in rehabilitating buildings and machinery and upon completion underground work is expected to start.

• • •

FALCONBRIDGE NICKEL MINES has received payment covering Sept. 15 option installment on 3,335 shares at $4.70 a share. Issued capital—3,347,507 shares.

• • •

HOSCO GOLD MINES has received payment for 65,000 shares at 50c. a share, representing July 10 installment under the sale agreement with McWatters Gold Mines, Goldwin Exploration Co., etc. Issued capital is 2,850,005 shares.

• • •

JACK LAKE MINES has advised the Montreal Curb Market that two additional claims adjoining its property in the Fort Frances mining division, Ontario, have been acquired for $2,000 cash and 46,000 treasury shares.

• • •

LAKE SHORE MINES realized bullion production of $1,207,461 from 82,467 tons of ore treated in the three months ended June 30, 1946, compared with $1,358,244 from 89,366 tons of ore milled in the immediately preceding three months.

• • •

LOISAN RED LAKE GOLD MINES announces that work is to start as soon as possible on a zone shown in the geophysical report on the property. Engineer S. Zeidel will direct development.

• • •

LATOMIC RED LAKE GOLD MINES has completed plans to start stripping, trenching and shallow drilling two areas recommended for testing as a result of recent geophysical survey. The area bordering on Loisan Red Lake is to be drilled through the ice this winter.

• • •

MARY ANN MINES has completed considerable surface work on its property comprising 13 claims in Gauthier twp., Ont. Consultant H. J. Logan has recommended an initial 5,000 ft. of diamond drilling be carried out after completion of another month's surface prospecting.

• • •

MCKENZIE RED LAKE GOLD MINES reports bullion production of $119,274 from 16,161 tons milled, an average recovery of $7.38 gold in three months ended June 30 ($131,196 from 16,100 tons and $8.15 in first quarter).

• • •

MADSEN RED LAKE GOLD MINES shows bullion output of $241,135 from 30,321 tons milled, an average recovery of $7.95 gold per ton in three months ended June 30 ($259,693 from 24,315 tons and $10.68 in first three months).

• • •

NORSEMAN MINES says that current drilling is designed to probe the possibilities in two strong anomalies indicated by magnetometer survey in east central portion of property.

• • •

NARECO GOLD MINES says first drill hole placed in schist zone on southwest group at Indin Lake returned 5.1 ft. of core grading 0.447 oz. This is initial depth test of a zone which has been opened by four test pits over a reported length of 1,250 ft.

• • •

OMEGA GOLD MINES says in 1945 report that a complete geological study of the structure of all rocks at the property is being made in the hope that work may find lava flows and conditions similar to producing mines in the area. The future of the Omega property entirely depends on results of the investigation, President James Y. Murdoch, states.

Bullion production dropped $110,262 to $440,503 and net loss of $77,677 in year ended March 31, 1946, compared with a profit of $9,303 in previous year. Ore reserves dropped 112,133 to 195,867 tons averaging $5.15 per ton.

Current assets totalled $110,959 and liabilities $79,935, as at March 31. Buildings, machinery and equipment were carried at a depreciated value of $141,618.

Canadian Silver Producers Getting 90.5c. Price Now

Canadian producers of refined silver have already been assured of the 19.39 cent increase to 90.5 cents an oz. for entire output — in fact, some operators received the higher figure from July mint returns—The Financial Post is reliably informed. The rise is in line with the boost in the OPA ceiling, effective last day of July.

The improved silver market is expected to prove quite a boon to established producers and to create a marked revival of interest in properties long shut down as a result of former depressed price levels. Such companies as Consolidate Mining & Smelting Co., largest producer of refined silver in Canada, Canadian Copper Refiners and International Nickel Co. of Canada, will unquestionably benefit. They and others, were restricted during war years to terms of the silver pool, which allocated one-half of production for domestic requirements at 40 cents an oz., later increasing to the 71.11 cents an oz. figure.

Golden Manitou Mines, New Calumet, Britannia and others have shipped gold-silver precipitates direct to the United States, thus benefitting at old U. S. prices for some time.

A good example of effect on a Canadian company is that of Golden Manitou Mines. Should the company operate at capacity of 1,000 tons daily, (at present treating about 600 tons daily), annual silver output would run at around 950,000 oz., which would mean an extra $100,000, or so.

A number of former silver producers have been considering reopening properties for some weeks, particularly after the boost in prices to 71.11 cents. One official whose company has been in such a category stated that at present price levels, these old properties could be revived. However, dewatering and reopening of these long-closed properties depend on availability of labor and supplies.

A revival of interest has already been noted in British Columbia. Highland-Bell, a small silver operation, has experienced a sharp rise in profits. A 200-ton plant has been recommended for the property of Big Four Silver Mines, while considerable activity has been evident in the Cobalt area of Ontario, with stakings reaching a record level in the last few months.

Lake Shore Cuts Dividend 2 Cents

The latest dividend declaration of Lake Shore Mines calling for a payment of 18 cents a share Sept. 14, to shareholders of record Aug. 14, represents a drop of two cents. Vice-president William H. Wright points out that the reduction is temporary and taken in light of present conditions. Previous rate was 20 cents quarterly.

Rising costs, the dollar revaluation and the labor outlook, were among the considerations behind the decision, he said, adding that the dividend rate would be returned as soon as conditions governing earnings permitted.

MARTIN McNEELY MINES advises that July 21 option installment, together with subsequent installment, has been extended for 90 days.

Demand Grows But Mines Hit

Swollen Domestic Copper Demand Found No Asset — Seek Change

In the semiannual report of Waite Amulet Mines, President J. Y. Murdoch states that Canadian copper producers have been unfavorably affected by an increased domestic consumption and that representations are being made to Ottawa on the existing copper price structure.

"Since February, 1940," says Mr. Murdoch, "the price of copper in Canada has been 11½c. per lb., while copper is currently being sold at 16c. in the world market. The Canadian copper producers not only lose this price advantage in comparison with producers in other countries, but they are compelled to supply an unprecedented domestic demand at this low price. Since the lifting of metal controls, domestic consumption has increased from some 31,000 tons in 1937 to an estimated 80,000 tons for 1946. The copper producers, whose metal has been treated and refined in Canada, have been deprived of a much higher world price on the large tonnage used domestically and have been in a less favorable position than producers who ship their concentrate out of the country."

HARD ROCK GOLD MINES reports bullion production of $239,649, including $3,072 from treating 244 tons stored concentrates, from 27,958 tons milled in three months ended June 30. Average recovery was $9.57, excluding the stored concentrates.

Ontario Security Commission Options

Company:	Underwriter:	Purchased (Underwritten) Shares	At c.	Date	Option No. Shares	Received Price Range c.	Capitalization Author. Shares	O/s Shares	Accepted
Andrew Yellowknife M.	Sales permitted on basis of not less than 35c. per sh. on 100,000 shs.						3,500,000	1,900,005	July 17
Ash Yellowknife M.	Conwest Explor. Co.†	......	..	June 10	1,499,995	5-25	3,000,000	1,000,005	July 20
Cherokee G. M.	K. V. Blyth†	......	..	May 28	1,200,000	5-50	3,000,000	1,000,005	July 19
Duffree Rouyn G. M.	Harry Jackson	100,000	7½	Apr. 16	1,300,000	7½-30	3,000,000	1,000,005	....
Federal Oils	Sales permitted on 1,250,000 shs. at net to treasury of 20 cents.						3,000,000	1,000,003	July 19
Geometal Mines	Dunsford Securities	400,000	15	July 3	1,000,000	17½-35	3,000,000	1,010,612	July 17
Kenalex Red Lake M.	A. E. Perron	250,000	10	May 3	......	...	3,000,000	1,125,006	July 17
Kyack Copper M.	J. A. Littler†	......	..	June 4	500,000	20-60	3,000,000	760,005	July 18
Lardon G. M.	Fed Trading & Agency	48,000	5	June 18	1,631,995	5-$1	3,000,000	1,368,005	July 27
Morgan Creek M.	Globe Investments	250,000	10	June 7	899,997	15-60	3,500,000	1,700,005	July 15
Morgan Creek M.	H. W. Knight	250,000	10	June 9	899,997	15-60	3,500,000	1,700,005	July 15
Newcor Min. & Refin.	Sales permitted on basis of [illegible] of proceeds to treasury						5,000,000	4,489,541	July 15
Newcor Min. & Refin.	Co. granted security issuer's registration.								
Realmont R. Lake G. M.	Sales permitted on basis of 75% of proceeds to treasury.						3,000,000	1,200,005	July 26
Tasmijopen Min. Co.	Co. granted security issuer's registration.						3,000,000	1,095,300	July 18
Tyon G. M.	Industro Min. Invest.	400,000	*	Jan. 7	1,440,000	10-$1	3,500,000	1,879,842	July 19
Unigo M.	Sales permitted on basis of 75% of proceeds to treasury.						3,000,000	1,350,836	July 18
Woodhall M.	Co. granted security issuer's registration.						3,000,000	1,407,940	July 18
Wasu Porcupine M.	Allied Invest. & Holdings	200,000	15	July 10	1,200,000	15-55	3,000,000	1,383,671	July 26

†Optionee. *$25,000.

AMENDMENTS TO PREVIOUS AGREEMENTS

Amended:
Barbary Gold M.
Fummerton Min. & Dev. Co

Extended:
Found Lake G. M.
Roybar Chibougamau M.

Accepted for Filing:
Barbary Gold M.
Echo-Indin M.
Found Lake G. M.
Fummerton Min. & Dev. Co.
Gachin Holdings Ltd.
Naybob (1945) G. M.
Red Area G. M.
Redruth G. M.
Rual Porcupine M.
Slemon Yellowknife M.
Wingait G. M.

Terminated:
Eskimo Pete Y'knife G. M.

Trans-American Keeps Funds Ready for Quick Development

Trans-American Mining Corp. has completed its first year of operations with liquid assets of $692,000, including $600,000 in cash and bonds. Other assets are represented mainly by controlling share interests in North Inca Gold Mines and Ingray Yellowknife Mines and a 50% share interest in Spinet Mining Co.

The company has pursued a policy of maintaining a position of financial liquidity so as to take advantage of favorable prospects or to participate in direct prospecting. Diamond drilling of the Fly group of Spinet Mining has returned 1.31 oz. across 2½ ft. in the initial hole and 2.25 oz. across 2 ft. in No. 2 hole. The intersections were secured some 250 ft. apart along the Archie Gamble discovery. Additional assays are expected soon.

Trans-American has optioned a group of 27 claims on strike of Osulake Gold Mines, President W. J. McDonough states. Work is being conducted under direction of company's chief engineer, with diamond drilling to follow up geological mapping and surface exploration. Prospecting parties are being maintained in the Northwest Territories, northern Ontario and Quebec, and the company is interested in several properties and syndicates in British Columbia, northern Ontario and Quebec.

Officers and directors: W. J. McDonough, president; R. Fennell, K.C., vice-president; T. R. Vreeland, Allan A. Ryan and P. F. Osler, directors; secretary-treasurer, V. F. Bowman.

Home Oil's New Test Of West Lime Uplift

Home Oil Co., with two wells now drilling, and nearing completion, seeking extension of a west lime uplift in north Turner Valley, has staked site for a new test of the uplift. The new well, Home Millarville No. 24, will be drilled for Home by Royalite Oil Co. The contractor is now working on site and may spud in with heavy duty rotary in about one week. The location is three-eighths of a mile northwest of the famous Home Millarville No. 2 producer; quarter of a mile due south of Miracle Royalties No. 3, which tapped the edge of the west lime uplift; and three-eighths of a mile southeast of Home Millarville No. 22, now drilling in the limestone on the west uplift.

EAST SULLIVAN MINES advises that July 25 underwriting installment of $150,000, comprising 50,000 shares, has been received. Issued capital—2,800,007 shares.

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ROXANA OILS CO. has received payment covering 200,000 shares at 50 cents. Issued capital—2.4 million shares.

GOLDEN GATE MINING CO. advises that payment has been received covering 33,334 shares for $5,000. Issued capital—4.8 million shares.

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The Prospector—after a painting by R. York Wilson, O.S.A.

Out of the Lonely North

UNTIL THE THIRTIES, the barren bleakness of the Arctic North was Canada's unknown. Suddenly it leaped into the news. Out of the lonely North there came word of discovery. The searching picks of the prospector had chipped Pitchblende from the rugged face of the rock. A new major source of material for Radium, for U-235, for Plutonium, had been found.

Because of this discovery, the beneficent ministrations of radium have been made available to increased thousands of suffering people at such a price that its curative powers could be used for rich and poor alike. Then, too, Canada, possessing quantities of Uranium, is assured of a leading position in the development of all the benefits of this new power which are indicated but as yet unproved.

Today the pitchblende deposits at Great Bear Lake belong to the Canadian Government in trust for the Canadian people. Wisely used, this great new asset can bring us measurably closer to that future greatness and security we call Canada Unlimited.

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Morrison Losing Battle Against Press Tories Fight Socialization of Doctors

LONDON—I have never seen Prime Minister Attlee so moved by emotion as when, in Parliament, he announced and denounced the bomb outrage in Jerusalem. He is not a professional emotion-monger, but he was a good soldier and he knows what it is to feel anger. He confined his words purely to the incident itself; but one sensed that his resentment extended to the pro-Zionists in the U. S. who denounced the British a fortnight ago as worse than the Nazis, because they were taking strong steps to keep order in Palestine.

It has been easy enough for the Zionists and their supporters in the United States to gain popularity by their irresponsible clamor, and it was no doubt politically expedient for President Truman to wash his hands of the whole affair, but these actions must have encouraged the terrorists to feel that they had world opinion behind them.

Mr. Attlee was followed in the House by a Jewish Independent named Lipson whose brother is a rabbi. Lipson controlling his voice with difficulty, denounced the men who committed the outrage as murderers and assassins, and enemies of the Jewish race. He pledged his full support to the Government in any action, no matter how oppressive, which it decided to take.

* * *

Wanted Whole Hotel But Nobody Listened

By one of those grim coincidences that sometimes happen, a number of pro-Zionist M.P.'s including Michael Foot, one of the three authors of "Guilty Men," had arranged a meeting in one of the House of Commons committee rooms on that day to listen to a young Jewish member of the Haganah from Palestine. The intention had been to rouse sympathy for the resistance movement and work up criticism of the British Government. The poor lad from Palestine did his best but even he was gripped with horror at what had happened.

I can reveal that for the last six months the British C-in-C on the spot had been urging the necessity of taking over the whole of the King David Hotel. He clearly saw the danger of leaving the ground floor being used as an ordinary hotel while the upper floors housed the British Headquarters. There will be a row about this when the two days' Palestine debate takes place next week.

* * *

Churchill Back In Old-time Fettle

The most vibrant personality in the British political scene at the moment is that old war horse Winston Churchill. In the months that followed the general election he seemed to have lost not only his touch, but his voice. He bungled the leadership of the Opposition and it is no secret that the desire for his resignation was almost universal among the Tories. The ball was at Anthony Eden's feet, but he would not kick it into the goal and he seemed to have lost interest and ambition.

But suddenly Churchill has recovered his form. Once last week he spoke in three debates in one day and dominated the House as if he were back in the days of 1940. His voice gained in power until, at the end, it fairly rang through the chamber. Vitalized by his leadership the Tory party sprang to life and proceeded to knock the Government all round the ring.

* * *

Bread Rationing Is Unholy Muddle

Bread rationing is proving an unholy muddle. Each day so far, poor John Strachey, Food Minister, has had to issue orders for bakers to sell their surplus without coupons. One reason perhaps is the heat wave which is almost Canadian in its thoroughness, thus making coarse bread an unseasonable item of diet. Then the poor harassed housewife cannot make out the complicated points system in many cases.

The reaction was shown at Bexley, the first of three by-elections held recently. The big Government majority came tumbling down and the Tory vote went up by 5,000. The Government held the seat but only by a narrow margin. The second by-election in Pontypool, a completely Labor and Liberal constituency, saw another big drop in the Government vote, although the Tories did not gain more than a paltry hundred extra.

* * *

See Stalin Winning Battle of Marshals

News coming out of Moscow suggests that Stalin has won the secret battle against the Marshals. The relegation of Zukov, the hero of the Red Army, to the paltry command of the Odessa garrison, and the elimination of his supporters in the Kremlin, would indicate that the politician has beaten the soldier. If this is true, it may mean a change for the better in Russia's foreign policy.

* * *

On the other hand, it looks as if the newspapers in Britain are winning their open battle against Politician Herbert Morrison, who has been leading the demand for a Royal Commission to enquire into the ownership and monopolistic tendencies of the press. His cause was not helped by the intervention of the glamorous Attorney-General Sir Hartley Shawcross (sometimes called Sir Hotstuff Shawcross) who said there were only three reliable newspapers in Britain—The Times, the Yorkshire Post and the Manchester Guardian. As all three of them opposed the Socialists in the general election, this has caused anger and dismay among the Government newspapers.

The only real support which Morrison is receiving is from the National Union of Journalists which is an editorial trade union. I doubt if it really speaks for the working journalist here, who is more highly paid than in any other country.

* * *

Tories to Fight Socializing Doctors

Churchill announces that he and his party will move the rejection of Aneurin Bevan's vast National Health Bill which virtually changes doctors into civil servants and brings all voluntary hospitals and their trust funds under Government ownership. There will be some hot weather scenes during the debate. Bevan hates Churchill and Churchill despises Bevan. There will be words.

* * *

Some time ago I mentioned that a horse called Toronto had won two races over here. The beautifully named animal continued to win and always at a good price which seems an aspersion (I mean the price) on the Queen City. Finally the owner entered Toronto for a big race and it started favorite.

* * *

"Big Ben" the political musicale by Sir Alan Herbert, M.P., and produced by the veteran C. B. Cochran, had a terrific premiere, marred only by the unfortunate and serious illness of C. B. which kept him away. I sat just behind Field Marshal Montgomery with his alert greyhound head poised as if he were expecting the enemy to open fire from the orchestra pit. Attlee, Ernie Bevin, the Lord Chancellor and half the House of Commons turned up.

The first half was excellent, the second not so good, but it ought to have a long run. If only that horse, Toronto, had won the big race, it could have been introduced into the finale when Big Ben hammers out its victorious note.

HORACE H. GREENFIELD

has been appointed sales manager of Ford Motor Co. of Canada's Ford and Monarch division.

Will Still Use Quebec as Port Coleman Pledge

MONTREAL (Staff) — Beaver Cargo liners will continue to call at Quebec "as traffic warrants," when postwar traffic becomes normal. This answer is given by CPR President D. C. Coleman, to Mayor Lucien Bourne of Quebec City, who had asked for clarification of that port's future status.

The Empress of Canada, now being reconverted after troop service, will call at Quebec "as she did previously," Mr. Coleman said. Though conceding that war conditions had made it impossible for Quebec to be as active a port now as before the war he pointed out that the Empire Magpie, under Canadian Pacific management, loaded a full cargo in Quebec in July and that another would probably load there this month.

Due to war losses, only two passenger vessels which formerly plied the Quebec-Montreal route are now in service, the Duchess of Richmond and the Duchess of Bedford (being renamed the Empress of Canada and Empress of India respectively). The former will resume her pre-war schedule this winter and will stop at Quebec during the St. Lawrence season.

"We have not been advised as to the dates of release of our other vessels and are therefore, not in a position to advise you regarding them," Mr. Coleman wrote Mr. Bourne.

The CPR president pointed out that his company still maintains a steamship port agent in Quebec, as proof that its attitude toward the City has not changed. He also assured Mayor Bourne that Quebec's interests and facilities were being borne in mind by the CPR in the developing shipbuilding program. He added, however, that the extent and rate of the present program has to be geared to the question of high cost of air travel overseas.

PROPRIETARY MINES has declared a dividend of 5c. a share, payable Sept. 5 to shareholders of record Aug. 5.

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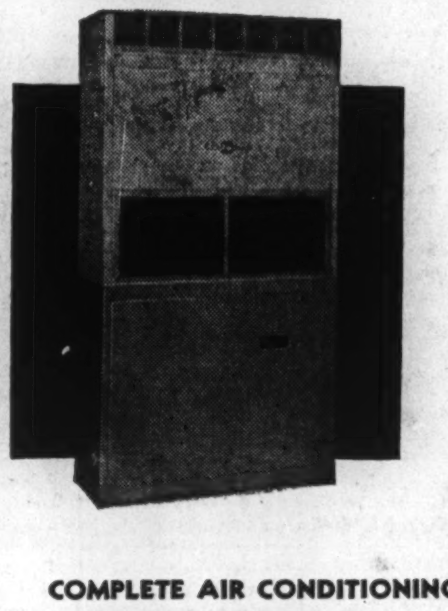

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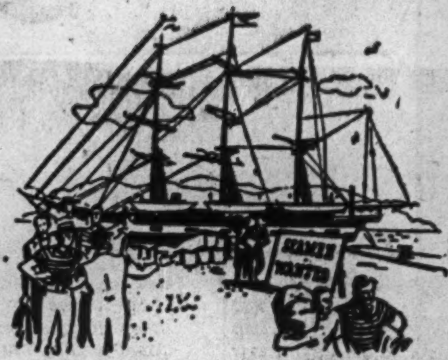
EAST KOOTENAY POWER CO. earnings from June decreased somewhat from June, 1945. Gross earnings at $61,778 were down $1,186; net earnings were off $1,684 at $35,161. For the three months ended June 30, however, gross earnings, at $192,854 were up 1.3%; at $109,068 net earnings, before income and excess profit taxes, were up 3.6%. Operating expenses were fractionally higher than last year though on the three months' basis, operating expenses were cut $1,200 or 1.4%.

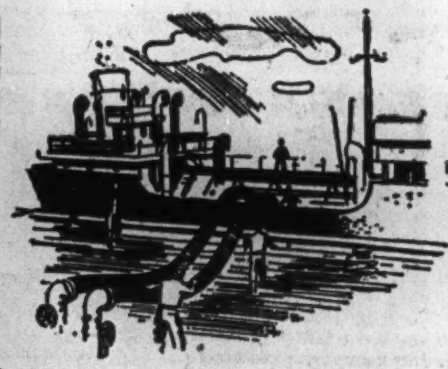
INTERESTING FACTS ABOUT OIL

The Story of Oil Transportation...

The first ocean shipment of oil was in barrels from the United States to England in 1861. As the ship rolled and tossed, the barrels sprang leaks and the oil splashed out.



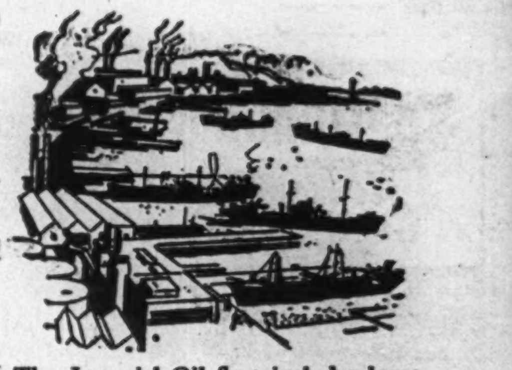
In 1872, the first ship with special tanks to carry oil was built. But the tanks were never used because sailors feared to travel in a wooden boat with such an inflammable cargo.



To-day's all-steel, super-safe oil tanker is the least expensive method of transporting oil. Through special loading hoses, crude and refined oil is loaded into many different tanks inside the hull. Large tankers carry about 5,000,000 gallons.

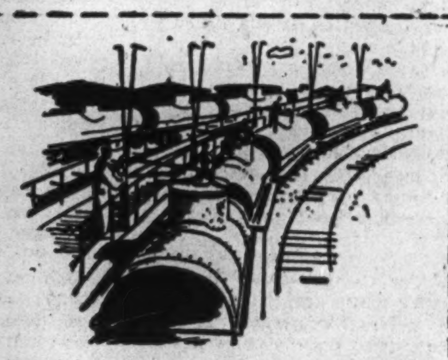
Tankers can be loaded a mile or more from shore—so neatly not a drop is spilled. Shore pumps deliver up to 20,000 barrels* of oil an hour. Each tanker has pumps to discharge the oil from its own tanks to those on shore.

This map shows how Imperial Oil tankers bring crude oil to Canada to supplement Canadian crude supplies, which are not yet sufficient to meet all needs. The Imperial tanker fleet is one of the largest under Canadian registry.

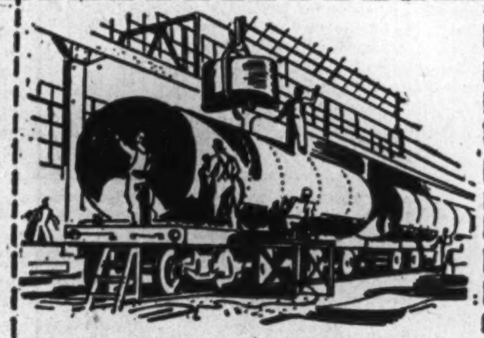


The Imperial Oil fleet includes large ocean-going, lake and coastal tankers. Modern safety devices are built into these ships. Imperial lost 4 tankers through enemy action during the war.

Rail transportation of oil is especially important in Canada, where large areas cannot be served by tanker or pipe line. The railway tank car is used largely to carry refined oil and other petroleum products like asphalt. Capacity varies from 190 to 240 barrels.*



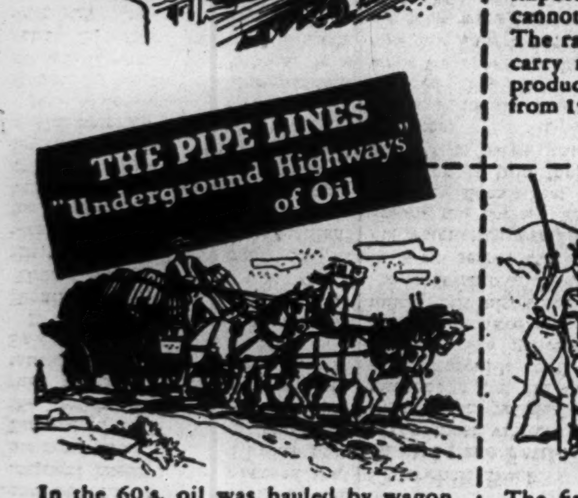
Special loading racks have pipe connections spaced so that all cars in a string can be loaded at once. There are about 160,000 oil tank cars in use to-day on this continent. Coupled together, they would form a train 1,000 miles long!



In all, close to 3,000 tank cars—having a capacity of over 20,000,000 gallons—are used by Imperial Oil in Canada. Most of these cars were built in Canada's own large car shops, giving employment to many Canadian workers.

The railways of Canada are, themselves, among the largest consumers of Imperial Oil Products. Many specialized lubricants designed for railway operation make possible to-day's dependable, high-speed schedules.

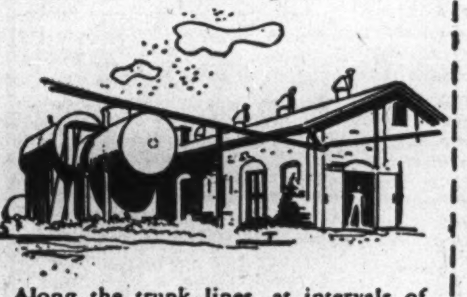
The map above shows the important part played by the railroads in delivering oil and gasoline from the refinery or marine terminal points to inland communities. In remote districts Imperial Oil Products are sometimes "flown in" by plane.



In the 60's, oil was hauled by wagon team from well to refinery. But poor roads made the cost so high that oil men began experimenting with pipe lines so that the prices consumers paid for oil and kerosene could be reduced.

The first successful oil pipe line was completed in 1865. It consisted of 5 miles of 2-inch pipe buried about two feet underground so as to be below plough depth. The line carried 800 barrels of oil per day.

Most modern oil pipe lines are laid underground by automatic machines which dig the ditch, lay the pipe and fill in the earth. To-day, there are hundreds of thousands of miles of such pipe lines in North America—including trunk, branch and feeder lines.



Along the trunk lines, at intervals of about 40 miles, pumping stations are located to keep the oil moving along "on schedule". Shown above is a typical pumping station, similar in appearance to the pumping stations in our city waterworks.

When an oil line springs a leak, pressure goes down on a gauge on the control board in the pumping station. A "line walker" locates the trouble. Leaks are speedily fixed, to prevent fire hazard and property damage.

Last lap of the journey from well to user is covered by the tank truck or trailer. Some units carry as much as 3,000 gallons in a single trip to the service stations through which Imperial Oil Limited provides service whenever needed—"everywhere in Canada and Newfoundland."

*A barrel of oil is equivalent to 35 gallons, Imperial measure.

IMPERIAL OIL LIMITED